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Regulations

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket No. 4230]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

IN THE MATTER OF THE SEBRONE COMPANY, ET AL.

§ 3.6 (j10) *Advertising falsely or misleadingly—History of product or offering:* § 3.6 (t) *Advertising falsely or misleadingly—Qualities or properties of product:* § 3.6 (x) *Advertising falsely or misleadingly—Results.* In connection with offer, etc., of respondents' preparations designated "Sebrone" and "Waft", or any other similar preparations, disseminating, etc., any advertisements by means of the United States mails, or in commerce, or by any means, to induce, etc., directly or indirectly, purchase in commerce, etc., of said preparations, which advertisements represent, directly or through inference, (1) that respondents' preparations are new discoveries or recent developments of scientific research; (2) that respondents' preparation "Sebrone" is a cure or remedy for dandruff or that it has any therapeutic value in the treatment of dandruff in excess of assisting in the temporary removal of dandruff scales and beneficially affecting superficial infections of the scalp sometimes associated with the condition of dandruff; (3) that the use of respondents' preparation "Sebrone" will have any beneficial effect upon scars or scar tissue or that it will remove scar tissue; (4) through the use of the words "stops dandruff", "ends dandruff", "defeats dandruff", or other words or phrases of similar import or meaning, that respondents' preparation "Sebrone" will permanently eliminate the condition of dandruff or constitute a cure or remedy for the underlying conditions which may cause dandruff; (5) that respondents' preparation "Sebrone" has any therapeutic value in the treatment of any disease or condition which causes baldness, or that its use will prevent baldness; (6) that respondents' preparation "Waft" will destroy or have any effect upon unpleasant body and foot odors other than the temporary masking of such odors; and (7) that respondents' preparation "Waft" will have any therapeutic value in the treatment of any disease or condition causing excessive sweating, or that it will reduce excessive sweating to normal or have any effect upon the condition of sweating other than the temporary effect afforded by the use of an astringent; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U.S.C., Sup. IV, sec. 45b) [Cease and desist order, The Sebrone Company, et al., Docket 4230, May 1, 1942]

In the Matter of The Sebrone Company (Formerly Known as Seboreen Laboratories, Inc.), a Corporation; Federal Cosmetic Sales Corporation, a Corporation; and Fred E. Schon, Henry M. Schoen, Virginia L. Cook, William Horsley, Lloyd M. Wendt, Ethel Cronson, and Evelyn Schon

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 1st day of May, A. D. 1942.

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, answer of the respondents, testimony and other evidence taken before Andrew B. Duvall and Randolph Preston, trial examiners of the Commission theretofore duly designated by it, in support of the allegations of said complaint and in opposition thereto, report of the trial examiners upon the evidence and exceptions filed thereto, and brief filed in support of the complaint; and the Commission having made its findings as to the facts and its conclusion that respondents The Sebrone Company (formerly known as Seboreen Laboratories, Inc.), a corporation, Federal Cosmetic Sales Corporation, a corporation, Fred E. Schon, Virginia L. Cook, Lloyd M. Wendt, Ethel Cronson, and Evelyn Schon have violated the provisions of the Federal Trade Commission Act:

It is ordered, That the respondents The Sebrone Company (formerly known as Seboreen Laboratories, Inc.), a corporation, and Federal Cosmetic Sales Cor-

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FEDERAL REGISTER

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poration, a corporation, and their respective officers, representatives, agents, and employees; and Fred E. Schon, Lloyd M. Wendt, Ethel Cronson, and Evelyn Schon, as individuals and as officers and directors of The Sebrone Company (formerly known as Seboreen Laboratories, Inc.), a corporation, and their representatives, agents, and employees; and Virginia L. Cook, individually and as officer and director of Federal Cosmetic Sales Corporation, a corporation, and her representatives, agents, and employees, directly or through any corporate or other device, in connection with the offering for sale, sale, or distribution of their preparations designated "Sebrone" and "Waft", or any other preparations of substantially similar composition or possessing substantially similar properties, whether sold under the same names or under any other name or names, do forthwith cease and desist from:

(1) Disseminating, or causing to be disseminated, any advertisement by means of the United States mails, or by any means in commerce as "commerce" is defined in the Federal Trade Commission Act, which advertisement represents, directly or through inference,

(a) That respondents' preparations are new discoveries or recent developments of scientific research;

(b) That respondents' preparation "Sebrone" is a cure or remedy for dandruff or that it has any therapeutic value in the treatment of dandruff in excess of assisting in the temporary removal of dandruff scales and beneficially affecting superficial infections of the scalp sometimes associated with the condition of dandruff;

(c) That the use of respondents' preparation "Sebrone" will have any beneficial effect upon scars or scar tissue or that it will remove scar tissue;

(d) Through the use of the words "stops dandruff," "ends dandruff," "defeats dandruff," or other words or phrases of similar import or meaning, that respondents' preparation "Sebrone" will permanently eliminate the condition of dandruff or constitute a cure or remedy for the underlying conditions which may cause dandruff;

(e) That respondents' preparation "Sebrone" has any therapeutic value in the treatment of any disease or condition which causes baldness, or that its use will prevent baldness;

(f) That respondents' preparation "Waft" will destroy or have any effect upon unpleasant body and foot odors other than the temporary masking of such odors;

(g) That respondents' preparation "Waft" will have any therapeutic value in the treatment of any disease or condition causing excessive sweating, or that it will reduce excessive sweating to normal or have any effect upon the condition of sweating other than the temporary effect afforded by the use of an astringent;

(2) Disseminating, or causing to be disseminated, any advertisement by any means, for the purpose of inducing, or which is likely to induce, directly or indirectly, the purchase in commerce as "commerce" is defined in the Federal Trade Commission Act, of said preparations, which advertisement contains any of the representations prohibited in paragraph (1) hereof and respective subdivisions thereof.

It is further ordered, That the complaint herein be, and the same hereby is, dismissed as to the respondents Henry M. Schoen, deceased, and William Horsley.

It is further ordered, That the respondents shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which they have complied with this order.

By the Commission.

[SEAL] OTIS B. JOHNSON, *Secretary.*

[F. R. Doc. 42-4134; Filed, May 8, 1942; 10:58 a. m.]

TITLE 17—COMMODITY AND SECURITIES EXCHANGES

Chapter II—Securities and Exchange Commission

PART 201—RULES OF PRACTICE

AMENDMENT TO RULES OF PRACTICE GOVERNING INTERVENTION, LEAVE TO BE HEARD, AND INFORMAL PARTICIPATION

The Securities and Exchange Commission, acting pursuant to authority conferred upon it by the Securities Act of 1933, as amended, particularly section 19 (a) thereof; the Securities Exchange Act of 1934, as amended, particularly section 23 (a) thereof; the Public Utility Holding Company Act of 1935, particularly section 20 (a) thereof; the Trust Indenture Act of 1939, particularly section 319 (a) thereof; the Investment Company Act of 1940, particularly section 38 (a) thereof, and the Investment Advisers Act of 1940, particularly section 211 (a) thereof; and finding such action necessary and appropriate to carry out the provisions of such Acts, hereby amends § 201.17 [Rule XVII] of the Rules of Practice to read as follows:

§ 201.17 *Intervention, leave to be heard, informal participation.* (a) Any interested representative, agency, authority or instrumentality of the United States or any interested State, State commission, State securities commission,

municipality or other political subdivision of a State shall become a party to any proceeding upon the filing of a written notice of appearance therein.

(b) Any person may, at the discretion of the trial examiner, be given leave to be heard in any proceeding as to any matter affecting his interests. Requests for leave to be heard shall be in writing, shall set forth the nature and extent of the applicant's interest in the proceeding, and shall be filed with the trial examiner or the Commission not later than two days prior to the date fixed for the commencement of the hearing, except that where a respondent is required to answer, requests for leave to be heard shall be filed within the time provided for the filing of the answer. The trial examiner or the Commission may direct any person requesting leave to be heard to submit himself to examination as to his interest in the proceeding.

(c) Leave to be heard pursuant to paragraph (b) of this section may include leave to call and examine witnesses, to offer documentary evidence, to cross-examine witnesses, to file briefs, to submit requests for specific findings and to make oral argument. The trial examiner shall determine the time and extent of such participation except that oral argument may be permitted only by the Commission upon written request therefor. Persons granted leave to be heard shall be bound, except as may be otherwise determined by the trial examiner, by any stipulation between the parties to the proceeding and counsel to the Commission with respect to procedure including submission of evidence, substitution of exhibits, corrections of the record, and the time within which briefs may be filed or requests for specific findings may be submitted. Where the filing of briefs or the submission of requests for specific findings are waived by the parties to the proceeding and by counsel to the Commission, a person granted leave to be heard pursuant to paragraph (b) of this section shall not be permitted to file a brief or submit requests for specific findings except by leave of the trial examiner or of the Commission. Except as may otherwise be specifically directed by the trial examiner at the request of any person granted leave to be heard, such person shall be expected to inform himself by attendance at public hearings and by examination of the public files of the Commission, as to the various steps taken in the proceeding, including continuances, the filing of amendments, answers, motions, or briefs by parties to the proceeding or by counsel to the Commission, or the fixing of time for any such action, and such person shall not be entitled as of right to other notice thereof, or to service of copies of documents.

(d) Except as provided in paragraph (a) of this section, no person shall be admitted as a party to a proceeding unless the Commission is satisfied on the basis of the written application of such person (and any evidence taken in connection therewith), that leave to be heard pursuant to paragraphs (b) and (c) of this section would be inadequate for the protection of his interests and that his participation as a party will be in the public interest.

(e) Any person who has not complied with the requirements of paragraph (b) of this section may, in the discretion of the trial examiner, be permitted to file a memorandum or make an oral statement of his views, and the trial examiner may accept for the record written communications received from any such person. Unless offered and admitted as evidence of the truth of the statements therein made, the memoranda and oral or written communications submitted pursuant to the provisions of this paragraph will be considered by the Commission only to the extent that the statements therein made are otherwise supported by the record.

(f) The trial examiner is directed to grant leave to be heard under paragraph (b) or (e) of this section, whichever may be applicable, to any person to whom it is proposed to issue any security in exchange for one or more bona fide outstanding securities, claims or property interests, or partly in such exchange and partly for cash, where the Commission is authorized to approve the terms and conditions of such issuance and exchange after a hearing upon the fairness of such terms and conditions.

(g) Any ruling of the trial examiner as to matters within the scope of this rule shall be subject to review by the Commission at the close of the proceedings, or, at the Commission's discretion, in the course of the proceedings. The Commission may, by order in any case, modify the provisions of this rule which would otherwise be applicable, and may impose such terms and conditions on the participation of any person in any proceeding as it may deem necessary or appropriate in the public interest.

Effective May 8, 1942.
By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 42-4131; Filed, May 8, 1942; 9:58 a. m.]

TITLE 26—INTERNAL REVENUE

Chapter I—Bureau of Internal Revenue

[T.D. 5147]

Subchapter C—Miscellaneous Excise Taxes

PART 176—DRAWBACK ON DISTILLED SPIRITS AND WINES

AMENDING REGULATIONS 28

Pursuant to the provisions of sections 3176, 3179 (b), Internal Revenue Code; and sections 309 (a), (b), (c), (d) and 313 (i) of the Tariff Act of 1930, (19 U.S.C. Sup. V, 1309 (a), (b), (c), (d) and 1313 (i)), §§ 176.49 and 176.50 of Regulations 28, (26 CFR, Part 176) are hereby amended to read as follows:

§ 176.49 *Direct delivery for customs inspection*— (a) *Bill of lading.* If the export storage room where the bottled spirits or wines are stored is located at the port of exportation, the exporter shall deliver the shipment directly for customs inspection and supervision of lading. The drawback entry must be filed with the collector of customs at least six hours prior to the lading of the spirits or wines in order to allow opportunity for customs inspection. The exporter must file a copy of the export bill of lading with the district supervisor. The bill of lading must show the exporter as the shipper, the serial numbers of the cases, and the quantity shipped in wine gallons.

(b) *Receipt covering supplies on vessels or aircraft.* If the spirits or wines on which drawback is claimed are for use as supplies on vessels or aircraft, a receipt covering the spirits or wines showing the marks, numbers, and quantity, signed by the master or an authorized officer of the vessel or steamship company, in the case of ship's supplies, or by an authorized officer of the aircraft or air line company, in the case of supplies for aircraft, will be filed with the district supervisor, in lieu of an export bill of lading. (Secs. 3176, 3179 (b), I.R.C.; and secs. 309 (a), (b), (c), (d) and 313 (i), Tariff Act of 1930 (19 U.S.C. Sup. V. 1309 (a), (b), (c), (d) and 1313 (i))

§ 176.50 *Shipment to port of export*— (a) *Exportation by vessel.* In the event the export storage room where the spirits or wines are stored is located elsewhere than at the port of exportation, the exporter shall deliver the shipment either directly for customs inspection and supervision of lading, as in the case where spirits or wines are stored at the port of exportation, or to a common carrier for transportation to the port of exportation. He shall forward a copy of the transportation bill of lading and a copy of the export bill of lading to the supervisor of the district from which the shipment was made, for attachment to the copy of the claim and entry, Form 1582 or 1582-A returned by the Government officer at the export storage room.

(b) *Exportation through border port.* In case of exportation to contiguous foreign territory by rail through a border port, the bill of lading will show the routing, particularly the carrier which will deliver the shipment for customs inspection at the border port, and will cover transportation to the foreign destination: *Provided,* That where a through bill of lading is not obtainable, separate bills of lading covering the shipment from the export storage room to the border port and from the border port to the foreign destination will be procured. The bill of lading will also show that the shipment was sent in care of the collector of customs or the deputy collector of customs at the border port. A copy of the through bill of lading, or copies of the separate bills of lading, as the case may be, will be transmitted by the exporter or his agent immediately by letter to the supervisor of the district from which the spirits or wines were released for exportation. The district supervisor will attach the copy of the bill, or bills, of lading to the copy of the claim and entry, Form 1582 or 1582-A returned by the Government officer at the export storage room. (Secs. 3176, 3179 (b), I.R.C.; and secs. 309 (a),

(b), (c), (d), and 313 (i)), Tariff Act of 1930 (19 U.S.C. Sup. V, 1309 (a), (b), (c), (d) and 1313 (i))

[SEAL] GUY T. HELVERING,
Commissioner of Internal Revenue.

Approved: May 6, 1942.

JOHN L. SULLIVAN,
Acting Secretary of the Treasury.

[F. R. Doc. 42-4122; Filed, May 7, 1942; 3:41 p. m.]

[T. D. 5148]

PART 178—PRODUCTION, FORTIFICATION, TAX PAYMENT, ETC., OF WINE

AMENDING REGULATIONS NO. 7

1. The Act of April 20, 1942 (Public Law 526, 77th Congress), provides in part as follows:

That (a) section 3045 of the Internal Revenue Code is amended as follows: Insert after the words "pear wines" a comma and the following: "pawpaw wines, papaya wines, pineapple wines, cantaloup wines"; and by striking out "(9)" and inserting "(9) pawpaws, (10) papayas, (11) pineapples, (12) cantaloups (13)".

(b) That section 3031 (a) of the Internal Revenue Code is amended by inserting after the words "pear wines", wherever they appear, a comma and the following: "pawpaw wines, papaya wines, pineapple wines, cantaloup wines"; and by inserting after the words "pear brandy", wherever they appear, a comma and the following words: "pawpaw brandy, papaya brandy, pineapple brandy, cantaloup brandy"; *and by inserting at the end of the first paragraph the following new sentence: "The maximum penal sum of any bond required by this subchapter for any bonded winery or bonded storeroom shall be $50,000".*

(c) That section 3030 (a) (2) is amended by inserting after the words "pear wines", wherever they appear, a comma and the following: "pawpaw wines, papaya wines, pineapple wines, cantaloup wines", and by inserting after the words "pear brandy", wherever they appear, a comma and the following: "pawpaw brandy, papaya brandy, pineapple brandy, cantaloup brandy".

(d) That section 3032 (c) of the Internal Revenue Code is amended by inserting after the words "pear brandy", where they first appear in such section, a comma and the following: "pawpaw brandy, papaya brandy, pineapple brandy, cantaloup brandy", and by inserting after the words "pear wines", where they first appear in such section, a comma and the following: "pawpaw wines, papaya wines, pineapple wines, cantaloup wines", and by striking out "and (8)" and by inserting "(8) no brandy other than pawpaw brandy may be used in the fortification of pawpaw wines and pawpaw brandy may not be used for the fortification of any wine other than pawpaw wines; (9) no brandy other than papaya brandy may be used in the fortification of papaya wine and papaya brandy may not be used for the fortification of any wine other than papaya wine; (10) no brandy other than pineapple brandy may be used in the fortification of pineapple wine and pineapple brandy may not be used for the fortification of any wine other than pineapple wine; (11) no brandy other than cantaloup brandy may be used in the fortification of cantaloup wine and cantaloup brandy may not be used for the fortification of any wine other than cantaloup wine; and (12)".

(e) That section 3036 (c) of the Internal Revenue Code is amended by inserting after the words "pear brandy", where they first appear in such section, a comma and the following: "pawpaw brandy, papaya brandy, pineapple brandy, cantaloup brandy", and by inserting after the words "pear wines", where they first appear in such section, a comma and the following: "pawpaw wines, papaya wines, pineapple wines, cantaloup wines"; and by striking out "and (8)" and inserting "(8) no brandy other than pawpaw brandy may be used in the fortification of pawpaw wine, and pawpaw brandy may not be used for the fortification of any wine other than pawpaw wine; (9) no brandy other than papaya brandy may be used in the fortification of papaya wine and papaya brandy may not be used for the fortification of any wine other than papaya wine; (10) no brandy other than pineapple brandy may be used in the fortification of pineapple wine, and pineapple brandy may not be used for the fortification of any wine other than pineapple wine; (11) no brandy other than cantaloup brandy may be used in the fortification of cantaloup wine, and cantaloup brandy may not be used for the fortification of any wine other than cataloup wine; and (12)".

* * * * *

(g) That section 3038 (a) of the Internal Revenue Code is amended by inserting after the words "pear wines" a comma and the following: "pawpaw wines, papaya wines, pineapple wines, cantaloup wines."

* * * * *

2. Pursuant to the above provisions of law and section 3176, Internal Revenue Code, §§ 178.48, 178.76, 178.80, 178.81, 178.93, 178.100, 178.227, 178.240, 178.242, 178.245, and 178.310 (paragraphs 48, 76, 80, 81, 93, 100, 227, 240, 242, 245, and 310 of Regulations No. 7) are amended to read as follows:

§ 178.48 *Bond Form 700–A.* Except as otherwise provided in these regulations, proprietors of bonded wineries and bonded storerooms shall furnish a separate bond on Form 700–A, in triplicate, with surety or security to cover each winery or storeroom. No wine may be produced or received, and no brandy may be withdrawn for fortification until proper bond is filed and the notice and bond are approved by the district supervisor. Bonds on Form 700–A will be in a penal sum sufficient:

(1) To cover the amount of the tax on all wine to be produced, received, and stored at the bonded winery, or received and stored at the bonded storeroom, and in transit from either such premises to other bonded premises, at any one time; and

(2) To cover the amount of the tax at the rate imposed by law on all brandy or wine spirits to be withdrawn for use in the fortification of wine and in transit to, or stored at, the bonded winery at any one time.

The penal sum of the bond shall be calculated on the basis of the wine and brandy tax rates, and shall not be less than $500 nor more than $50,000. The filing of blanket bonds to cover two or more wineries or storerooms is not permissible.

§ 178.76 *Production.* Citrus-fruit wines, peach wines, cherry wines, berry wines, apricot wines, prune wines, plum wines, pear wines, pawpaw wines, papaya wines, pineapple wines, cantaloup wines, and apple wines will be produced by the normal alcoholic fermentation of the juice of sound ripe citrus fruit (except lemons and limes), peaches, cherries, berries, apricots, prunes, plums, pears, pawpaws, papayas, pineapples, cantaloups, and apples, respectively, with or without the addition of dry cane, beet, or dextrose sugar (containing, respectively, not less than 95 per cent of actual sugar calculated on a dry basis), for the purpose of perfecting the product according to standards, but without the addition or abstraction of other substances, other than such as may occur in the usual cellar treatment of clarifying and aging, except that in the event the must or wine has natural deficiencies, it may be ameliorated with a solution of water and pure cane, beet, or dextrose sugar, containing, respectively, not less than 95 per cent of actual sugar, calculated on a dry basis, for the purpose of correcting natural deficiencies in the must or wine. If so ameliorated, the resulting product (1) must contain not less than 5 parts per thousand of acid before fermentation, (2) may not contain more than 13 per cent of alcohol after complete fermentation, and (3) may not be increased more than 35 per cent in volume.

§ 178.80 *Form 546.* Where grapes, citrus fruit (except lemons and limes), peaches, cherries, berries, apricots, prunes, plums, pears, pawpaws, papayas, pineapples, cantaloups, or apples are crushed for probable fortification there will be attached to the fermenting tanks into which the material is run a label, Form 546, as provided in § 178.242.

§ 178.81 *Wine from other materials.* Where it is desired to produce wine other than natural wine, citrus-fruit wine, peach wine, cherry wine, berry wine, apricot wine, prune wine, plum wine, pear wine, pawpaw wine, papaya wine, pineapple wine, cantaloup wine, and apple wine, as defined in sections 3044 and 3045, Internal Revenue Code, or pure sweet wine as defined in section 3036 (a), Internal Revenue Code, the winemaker will prepare a notice in triplicate showing the materials and methods to be used. One copy of such notice will be attached to the application, Form 698, retained at the premises and the other two copies forwarded to the district supervisor, who will transmit one copy to the Commissioner.

§ 178.93 *Limitations.* In the manufacture of wine for use as distilling material, water may be used in such quantity as necessary for the purposes of facilitating fermentation and economical distillation. Such wine may be made by fermentation of the grape juice, citrus-fruit juice, peach juice, cherry juice, berry juice, apricot juice, prune juice, plum juice, pear juice, pawpaw juice, papaya juice, pineapple juice, cantaloup juice, or apple juice, or by further fermentation of the pomace or cheese after the wine has been drawn off. Spirits distilled from grape cheese to which sugar solution has been added may not be used for fortification. Wine produced for use as distilling material will be accounted for on Form 701 in the manner indicated therein. (See §§ 178.125 to 178.131.)

§ 178.100 *Limitations.* Wines may be mixed or blended with each other at a bonded winery or bonded storeroom only, and for the sole purpose of perfecting such wines according to commercial standards. Natural wine and pure sweet wine may not be mixed or blended with citrus-fruit wine, peach wine, cherry

wine, berry wine, apricot wine, prune wine, plum wine, pear wine, pawpaw wine, papaya wine, pineapple wine, cantaloup wine, or apple wine, or with wine produced from other materials, nor may wine produced from one kind of fruit or berry be mixed or blended with wine produced from another kind of fruit or berry. Vermouths may be mixed or blended with each other for the sole purpose of perfecting them according to commercial standards, but may not be mixed or blended together with any other wines. Blended wines will be tax-paid according to their alcoholic strength after blending, but the blending must be done in fact for the purpose of manufacturing a finished product conforming to commercial standards. Wine purchased by one winemaker from another may be used for blending purposes without incurring special tax for the sale of such blended wine.

§ 178.227 *Limitations.* Natural wine and pure sweet wine (defined in §§ 178.70 to 178.79) may be fortified with grape brandy (defined in § 178.245), and citrus-fruit wine, peach wine, cherry wine, berry wine, apricot wine, prune wine, plum wine, pear wine, pawpaw wine, papaya wine, pineapple wine, cantaloup wine, and apple wine (defined in §§ 178.70 to 178.79) may be fortified with citrus-fruit brandy, peach brandy, cherry brandy, berry brandy, apricot brandy, prune brandy, plum brandy, pear brandy, pawpaw brandy, papaya brandy, pineapple brandy, cantaloup brandy, and apply brandy (defined in § 178.245), respectively, by the producer of such wine on the premises where made: *Provided,* That a citrus-fruit brandy prepared from one kind of citrus fruit may not be used for the fortification of a citrus-fruit wine prepared from another kind of citrus fruit and a berry brandy prepared from one kind of berry may not be used for the fortification of a berry wine prepared from another kind of berry. No wine other than the wines named may be fortified, and no spirits other than the kind of brandy specified in the case of each, except tax-paid grain or other ethyl alcohol, may be used to fortify such wines. Wine may not be fortified by any person other than the producer thereof, or on premises other than those where made.

§ 178.240 *Wines eligible for fortification.* Only natural wine, citrus-fruit wine, peach wine, cherry wine, berry wine, apricot wine, prune wine, plum wine, pear wine, pawpaw wine, papaya wine, pineapple wine, cantaloup wine, apple wine, and pure sweet wine produced in accordance with §§ 178.70 to 178.79 may be fortified.

§ 178.242 *Form 546.* Where grapes, citrus fruit (except lemons and limes), peaches, cherries, berries, apricots, prunes, plums, pears, pawpaws, papayas, pineapples, cantaloupes, or apples are crushed for probable fortification, there shall be attached to the fermenting tanks into which the material is run a label, Form 546, filled out in accordance with the instructions contained therein.

§ 178.245 *Brandies eligible for use in fortification.* The brandies authorized to be used for fortification, as enumerated in § 178.227, are those made exclusively from grapes, citrus fruits (except lemons and limes), peaches, cherries, berries, apricots, prunes, plums, pears, pawpaws, papayas, pineapples, cantaloups, or apples, or from the products or the residues of such fruits and berries, or from grape wine, citrus fruit wine, peach wine, cherry wine, berry wine, apricot wine, prune wine, plum wine, pear wine, pawpaw wine, papaya wine, pineapple wine, cantaloup wine, or apple wine, in the manufacture of which artificial sweetening may have been used under the limitations prescribed by §§ 178.70 to 178.79, or from the fruit pomace residuum of such wine. No brandy or wine spirits produced otherwise than as specified herein may be used for fortification. Brandy produced from grape cheese and a sugar solution may not be used for the fortification of wine.

§ 178.310 *Record.* Where a winemaker's bond is in a penal sum less than the maximum of $50,000, the district supervisor shall maintain a record which will enable a ready determination regarding the amount of brandy or wine spirits representing a potential tax liability under the winemaker's bond. The amount of fortifying brandy or wine spirits on hand at or deposited in the fortification room of the winery; the amount of brandy or wine spirits lost in transit to or in the fortification room of the winery; and the amount of brandy specified in approved applications on Form 257, but not reported deposited in the fortification room, shall be considered charges against the winemaker. The amounts of brandy or wine spirits shown on Form 275 (Storekeeper-Gauger's Report of Fortification of Wine) shall be considered credits for brandy or wine spirits used. Such credits shall be entered in the record by the district supervisor immediately upon receipt of Form 275. The winemaker shall also be given credit in the record where the tax has been remitted or paid on losses of brandy or wine spirits. The district supervisor shall not disapprove a winemaker's application on Form 257 for the withdrawal of brandy or wine spirits unless he has reason to believe that the penal sum of the winemaker's bond is not sufficient, under the provisions of Paragraph 48 of these regulations, to cover the tax liability on the amount of brandy or wine spirits covered by the application.

[SEAL] GUY T. HELVERING,
Commissioner of Internal Revenue.

Approved: May 6, 1942.

JOHN L. SULLIVAN,
Acting Secretary of the Treasury.

[F. R. Doc. 42-4123; Filed, May 7, 1942; 3:42 p. m.]

[T.D. 5146]

PART 181—STILLS AND DISTILLING APPARATUS

AMENDING REGULATIONS 23

Pursuant to the provisions of section 3250 (j) (3), Internal Revenue Code, § 181.23 and 181.25 of Regulations 23 (26 CFR, Part 181) are hereby amended to read as follows:

§ 181.23 *Delivery of shipments; bill of lading.* The manufacturer, upon release of a shipment of stills for export will deliver such shipment as follows:

(a) If the place of manufacture is located at the port of exportation he shall deliver the shipment directly for customs inspection and supervision of lading. The drawback entry, Form 1610, must be filed with the collector of customs at least six hours prior to the lading of the stills in order to allow opportunity for customs inspection. The exporter must file a copy of the export bill of lading with the collector of internal revenue of the district in which the place of manufacture is located, for attachment to the copy of Form 1610 retained by him. The bill of lading must show the exporter as the shipper, the manufacturer's serial numbers of the stills, and the number of stills contained in the shipment.

(b) If the place of manufacture is located elsewhere than at the port of exportation he shall deliver the shipment either directly for customs inspection and supervision of lading or to a common carrier for transportation to the port of export. The exporter shall transmit a copy of the bill of lading covering such transportation and a copy of the export bill of lading to the collector of internal revenue, for attachment to the copy of Form 1610 retained by him. In case of exportation through a border port to contiguous foreign territory the bill of lading will show the routing, particularly the carrier which will deliver the shipment for customs inspection at the border port, and will cover transportation to the foreign destination: *Provided,* That where a through bill of lading is not obtainable, separate bills of lading covering the shipment from the place of manufacture to the border port and from the border port to the foreign destination will be procured. The bill of lading will also show that the shipment was sent in care of the collector of customs or the deputy collector of customs at the border port. One copy of the through bill of lading or of each of the separate bills of lading, as the case may be, will be transmitted by the exporter or his agent immediately by letter to the collector of internal revenue, for attachment to the copy of Form 1610 retained by him. (Sec. 3250 (j) (3) I.R.C.)

§ 181.25 *Certificate of exportation.* After inspection and lading and clearance for a foreign port of the vessel or car on which the stills described in the entry are laden, the collector of customs will execute the certificate of exportation on each copy of the claim and entry, Form 1610. He will retain one copy of the form for his entry record and will transmit the remaining two copies to the collector of internal revenue for the district from which the stills were shipped. (Sec. 3250 (j) (3) I.R.C.)

[SEAL] GUY T. HELVERING,
Commissioner of Internal Revenue.

Approved: May 6, 1942.

JOHN L. SULLIVAN,
Acting Secretary of the Treasury.

[F. R. Doc. 42-4121; Filed, May 7, 1942; 3:41 p. m.]

[T.D. 5145]

PART 184—PRODUCTION OF BRANDY

AMENDING REGULATIONS 5

1. The Act of April 20, 1942 (Pub. Law 526, 77th Cong.), provides in part as follows:

(f) That Section 2825 of the Internal Revenue Code is amended by inserting after the word "pawpaws", and before the word "persimmons", where they first appear in such section, a comma and the words "papayas, cantaloups"; and by inserting after the words "pear wine", wherever they appear, a comma and the following: "pawpaw wine, papaya wine, pineapple wine, cantaloup wine"; and by inserting after the words "pear brandy" a comma and the following: "pawpaw brandy, papaya brandy, pineapple brandy, cantaloup brandy".

2. Pursuant to the above provisions of law, and section 3176, Internal Revenue Code, §§ 184.165, 184.166 and 184.335 of Regulations 5 (26 CFR, Part 184), are amended to read as follows:

§ 184.165 *Kinds of materials.* Distillers operating under these regulations must manufacture brandy exclusively from apples, peaches, grapes, oranges, pears, pineapples, apricots, berries, plums, pawpaws, papayas, cantaloups, persimmons, prunes, figs, cherries, dates, or citrus fruits (except lemons and limes), or from residues or products of such fruits and berries, or from grape wine, citrus-fruit wine, peach wine, cherry wine, berry wine, apricot wine, plum wine, prune wine, pear wine, pawpaw wine, papaya wine, pineapple wine, cantaloup wine, or apple wine, in the manufacture of which artificial sweetening may have been used, or from the fruit pomace residuum of such grape wine, or from grape cheese where not more than 500 gallons of a sugar solution made from cane, beet, starch, or corn sugar, 95 per cent pure, and having a saccharine strength of not to exceed 10 per cent, is added to not less than 500 gallons (10 barrels) of such cheese. (Secs. 2825, 3176, I.R.C.)

§ 184.166 *Kinds of brandies for fortification of wine.* The kinds of brandies that may be produced for the fortification of wine are those made exclusively from grapes, citrus fruits (except lemons and limes), peaches, cherries, berries, apricots, pawpaws, papayas, cantaloups, pineapples, prunes, plums, pears, or apples, or from the products or the residues of such fruits and berries, or from grape wine, cantaloup wine, citrus-fruit wine, peach wine, pawpaw wine, papaya wine, pineapple wine, cherry wine, berry wine, apricot wine, prune wine, plum wine, pear wine, or apple wine, in the manufacture of which artificial sweetening may have been used under the limitations prescribed in §§ 178.70 to 178.79 of this chapter, or the fruit pomace residuum of such grape wine. Brandy may not be produced from grape cheese and a sugar solution for the fortification of wine. (Secs. 2825, 3032, 3176, I.R.C.)

§ 184.335 *Kinds.* The kinds of brandies that may be removed for the fortification of wine are grape brandy, citrus-fruit brandy, peach brandy, cherry brandy, berry brandy, apricot brandy, prune brandy, plum brandy, pear brandy, pawpaw brandy, papaya brandy, pineapple brandy, cantaloup brandy, and apple brandy, produced in accordance with the provisions of § 184.166. No brandy produced otherwise than as specified in such section may be removed for fortification. Brandy produced from grape cheese and a sugar solution may not be removed for the fortification of wine. (Secs. 3031 (a), 3033, 3176, I.R.C.)

[SEAL] GUY T. HELVERING,
Commissioner of Internal Revenue.

Approved: May 6, 1942.

JOHN L. SULLIVAN,
Acting Secretary of the Treasury.

[F. R. Doc. 42-4120; Filed, May 7, 1942; 3:41 p. m.]

TITLE 30—MINERAL RESOURCES

Chapter III—Bituminous Coal Division

[Docket No. A-1229]

PART 333—MINIMUM PRICE SCHEDULE, DISTRICT NO. 13

ORDER GRANTING RELIEF IN THE MATTER OF THE PETITION OF ALABAMA BY-PRODUCTS CORPORATION, CODE MEMBER IN DISTRICT 13, FOR REVISION OF THE MINIMUM PRICES AND PRICE CLASSIFICATIONS ESTABLISHED FOR THE SAMOSET MINE, MINE INDEX NO. 37, IN DISTRICT 13, TO PERMIT A MOISTURE ALLOWANCE ON SHIPMENTS OF COAL FOR RAILROAD LOCOMOTIVE FUEL USE

This proceeding having been instituted upon an original petition filed with the Bituminous Coal Division, pursuant to section 4 II (d) of the Bituminous Coal Act of 1937, by the Alabama By-Products Corporation, a code member in District No. 13, requesting revision of the minimum prices and price classifications applicable to the coals of its Samoset Mine, Mine Index No. 37, by permitting a moisture allowance of 7.5 percent on washed coal sold to the Illinois Central Railroad Company for railroad locomotive fuel use;

Petitions of intervention having been filed by District Boards Nos. 2 and 3;

Bituminous Coal Consumers' Counsel having filed a notice of appearance;

Pursuant to an Order of the Acting Director dated January 20, 1942, a hearing in this matter having been held on March 2, 1942, before Joseph D. Dermody, a duly designated Examiner of the Division at a hearing room of the Division in Washington, D. C., at which all interested persons were afforded an opportunity to be present, adduce evidence, cross-examine witnesses, and otherwise be heard and at which original petitioner, District Boards Nos. 2 and 3 and the Consumers' Counsel appeared;

At the conclusion of the hearing, the parties having waived the preparation and filing of a report by the Examiner and the record in the proceeding having been thereupon submitted to the undersigned;

The undersigned having made Findings of Fact and Conclusions of Law and having rendered an Opinion in this matter, which are filed herewith [1];

Now, therefore, it is ordered, That:

§ 333.7 (*Special prices*—(a) *Prices for shipment to all railroads and for exclusive use of railroads*) in the Schedule of Effective Minimum Prices for District No. 13 for All Shipments Except Truck be and it hereby is amended by the addition of the following exception:

The Samoset Mine, Mine Index No. 37, on all sales of washed coal for railroad locomotive fuel use to the Illinois Central Railroad may base its charges on the weight at the mine, at Corinth, Mississippi, at Birmingham, Alabama, or at any intervening point.

It is further ordered, That the prayer for relief contained in the petition filed herein is granted to the extent set forth above and in all other respects denied.

Dated: May 7, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-4143; Filed, May 8, 1942; 11:21 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter VI—Selective Service System

[No. 76]

ARMY OCCUPATIONAL AND EDUCATIONAL RECORD

ORDER PRESCRIBING FORM

By virtue of the Selective Training and Service Act of 1940 (54 Stat. 885) and the authority vested in me by the rules and regulations prescribed by the President thereunder and more particularly the provisions of § 605.51 of the Selective Service Regulations, I hereby prescribe the following change in DSS forms:

Addition of a new form designated as DSS Form 130, entitled "Army Occupational and Educational Record," [2] effective immediately upon the filing hereof with the Division of the Federal Register.

The foregoing addition shall, effective immediately upon the filing hereof with the Division of the Federal Register, become a part of the Selective Service Regulations.

LEWIS B. HERSHEY,
Director.

APRIL 11, 1942.

[F. R. Doc. 42-4136; Filed, May 8, 1942; 11:11 a. m.]

[No. 77]

PAY ROLL FOR PERSONAL SERVICES

ORDER DISCONTINUING FORM

By virtue of the Selective Training and Service Act of 1940 (54 Stat. 885) and

[1] Not filed with the original document.
[2] Filed as part of the original document.

the authority vested in me by the rules and regulations prescribed by the President thereunder, and more particularly the provisions of § 605.51 of the Selective Service Regulations, I hereby order the discontinuance of the following DSS form:

Discontinuance of DSS Form 255, entitled "Pay Roll for Personal Services,"[1] effective immediately upon the filing hereof with the Division of the Federal Register.

The foregoing discontinuance shall, effective immediately upon the filing hereof with the Division of the Federal Register, become a part of the Selective Service Regulations.

LEWIS B. HERSHEY,
Director.

FEBRUARY 25, 1942.

[F. R. Doc. 42-4135; Filed, May 8, 1942; 11:11 a. m.]

[No. 78]

PHYSICAL EXAMINATION

ORDER DISCONTINUING FORMS

By virtue of the Selective Training and Service Act of 1940 (54 Stat. 885) and the authority vested in me by the rules and regulations prescribed by the President thereunder, and more particularly the provisions of § 605.51 of the Selective Service Regulations, I hereby order the discontinuance of the following DSS forms:

1. Discontinuance of DSS Form 10A entitled "Order on Local Board to Deliver Men for Physical Examination by the Armed Forces."[1]
2. Discontinuance of DSS Form 150A entitled "Order to Report for Physical Examination by the Armed Forces Prior to Induction."[1]
3. Discontinuance of DSS Form 151A entitled "Physical Examination List."[1]
4. Discontinuance of DSS Form 152 entitled "Order on State for Delivery of Men for Physical Examination by the Armed Forces."[1]
5. Discontinuance of DSS Form 202 entitled "Notice to Registrant of Result of Physical Examination by the Armed Forces."[1]
6. Discontinuance of DSS Form 208 entitled "Request for Transfer for Physical Examination by the Armed Forces."[1]
7. Discontinuance of DSS Form 209 entitled "Order of Transfer of Registrant for Physical Examination by the Armed Forces."[1]

The foregoing discontinuance shall be effective immediately upon the filing hereof with the Division of the Federal Register.

LEWIS B. HERSHEY,
Director.

FEBRUARY 24, 1942.

[F. R. Doc. 42-4137; Filed, May 8, 1942; 11:11 a. m.]

[1] Filed as part of the original document.

Chapter IX—War Production Board

Subchapter B—Division of Industry Operations

PART 1010—SUSPENSION ORDERS

SUSPENSION ORDER S-45—BEL-AIR OIL CO.

Bel-Air Oil Company, Los Angeles, California, is engaged in the production of crude oil in the State of California. It is subject to the provisions of Conservation Order M-68. Subsequent to December 23, 1941, the Company used material to drill Twitchell #2 Well, located 330 feet south and 330 feet west from the northeast corner of the northwest quarter of the northeast quarter of Section 35, Township 10 North, Range 34 West, Santa Barbara County, California. This well does not conform to a uniform well-spacing pattern of not more than one single well to each 40 surface acres. Furthermore, this well was "spudded" subsequent to December 23, 1941.

These violations of Conservation Order M-68 and Amendment No. 1 thereto impeded and hampered the war effort of the United States by diverting materials to uses unauthorized by the Director of Industry Operations. In view of the foregoing facts:

It is hereby ordered:

§ 1010.45 *Suspension Order S-45.* (a) Bel-Air Oil Company, Los Angeles, California, its successors and assigns, shall cease production of oil from Twitchell #2 Well, located 330 feet south and 330 feet west from the northeast corner of the northwest quarter of the northeast quarter of Section 35, Township 10 North, Range 34 West, Santa Barbara County, California. However, the prohibitions of this paragraph (a) may be terminated, provided the Director of Industry Operations determines that the construction of the facilities used in the production of oil from Twitchell #2 Well is necessary and appropriate in the public interest and to promote the war effort. Upon such determination by the Director of Industry Operations, this paragraph (a) shall be terminated and be of no further force and effect.

(b) Deliveries of materials to Bel-Air Oil Company, Los Angeles, California, its successors and assigns, shall not be accorded priority over deliveries under any other contract or order, and no preference rating shall be applied or assigned to such deliveries to Bel-Air Oil Company, its successors and assigns, by means of Preference Rating Certificates, Preference Rating Orders, General Preference Orders, or any other orders or regulations of the Director of Industry Operations.

(c) No allocation shall be made to Bel-Air Oil Company, its successors and assigns, of any material the supply or distribution of which is governed by any order of the Director of Industry Operations, except as specifically authorized by the Director of Industry Operations.

(d) Nothing contained in this order shall be deemed to relieve Bel-Air Oil Company, its successors and assigns, from any restrictions, prohibitions, or provisions contained in any other order or regulation of the Director of Industry Operations.

(e) This order shall take effect on May 11, 1942, and shall expire on August 11, 1942, at which time the restrictions contained in this order shall be of no further effect. (P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561, E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 7th day of May, 1942.

J. S. KNOWLSON,
Director of Industry Operations.

[F. R. Doc. 42-4119; Filed, May 7, 1942; 3:24 p. m.]

PART 1055—WOOL CLOTHING FOR MEN AND BOYS

AMENDMENT NO. 1 TO GENERAL CONSERVATION ORDER M-73-a[1] AS AMENDED APRIL 27, 1942

Section 1055.2 (*General Conservation Order M-73-a*) as amended April 27, 1942, is hereby amended in the following respect:

Subparagraph (c) (2) is amended by inserting after the words "tailors-to-the-trade", therein, the words "or merchant tailors". (P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561, E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 8th day of May 1942.

J. S. KNOWLSON,
Director of Industry Operations.

[F. R. Doc. 42-4142; Filed, May 8, 1942; 11:14 a. m.]

PART 1112—OFFICE MACHINERY

AMENDMENT NO. 2 TO GENERAL LIMITATION ORDER L-54-b[2]

Paragraph (b) of § 1112.3, *General Limitation Order L-54-b* is hereby amended by adding thereto the following subparagraph (5):

(5) Nothing in this paragraph shall be construed to limit the right of manufacturers to accept delivery of new office machinery from wholesalers, distributors, retailers, or other dealers, or the right of wholesalers, distributors, retailers, or other dealers to deliver new office machinery to any manufacturer willing to accept the same. (P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561, E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.).

Issued this 8th day of May 1942.

J. S. KNOWLSON,
Director of Industry Operations.

[F. R. Doc. 42-4141; Filed, May 8, 1942; 11:14 a. m.]

[1] 7 F.R. 3081.
[2] 7 F.R. 2102, 2276.

PART 1156—TOYS AND GAMES

INTERPRETATION NO. 1 OF LIMITATION ORDER L–81 [1]

The following official interpretation is hereby issued by the Director of Industry Operations with respect to § 1156.1 *General Limitation Order L–81*, issued March 30, 1942:

For the purposes of Limitation Order L–81, critical material shall be deemed to be in a "raw material form" when it has not been fabricated or processed for the specific purpose of manufacturing any Class A product or part thereof, and when it is in such form that it can be fabricated or processed for use in the manufacture of any product other than any Class A product or part thereof. (P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561, E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.).

Issued this 8th day of May 1942.

J. S. KNOWLSON,
Director of Industry Operations.

[F. R. Doc. 42–4138; Filed, May 8, 1942; 11:15 a. m.]

PART 1177—SPICES

CONSERVATION ORDER M–127

The uncertainty of shipments of spices from abroad and the fulfillment of requirements for the defense of the United States have created a shortage in the supply of spices for defense, for private account, and for export, and the following order is deemed necessary and appropriate in the public interest and to promote the national defense:

§ 1177.1 *Conservation order M–127*—(a) *Applicability of Priorities Regulation No. 1.* This order and all transactions affected thereby, are subject to the provisions of Priorities Regulation No. 1 (Part 944), as amended from time to time, except to the extent that any provision hereof may be inconsistent therewith, in which case the provisions of this order shall govern.

(b) *Definitions.* For the purpose of this order:

(1) "Person" means any individual, partnership, association, business trust, corporation, governmental corporation or agency, or any organized group of persons, whether incorporated or not.

(2) "Spice" means any specific spice which, during any month, is subject to a quota determined for that month by the Director of Industry Operations, and shall include such spice in ground, unground, distilled, mixed or other form.

(3) "Packer" means any person who grinds, distills, or packs spices owned by him, or has such spices ground, distilled, or packed for his account by some other person, for resale.

(4) "Wholesale receiver" means any person (regardless of whether or not he is also a packer and/or an industrial receiver) who buys spices for:

(i) Resale exclusively or predominantly at wholesale.

(ii) Resale through four or more centrally owned, affiliated, or independent stores owned or, for purchasing purposes, represented by him.

(iii) Resale at retail or for operating a restaurant or other public or private eating place, if his monthly purchases of spices for either or both purposes during 1941 averaged 75 pounds or more per month.

(5) "Industrial receiver" means any person (regardless of whether he is also a packer and/or a wholesale receiver) who uses spices in the manufacture or processing of any other product for resale, if his monthly purchases of spices during 1941 averaged 50 pounds or more per month; but this shall not include any restaurant or other public or private eating place.

(6) "Class I industrial receiver" means any industrial receiver who uses spices in the manufacture or processing of medicinal or food products, to the extent that he so uses spices.

(7) "Class II industrial receiver" means any industrial receiver who uses spices in the manufacture or processing of any other products.

(8) "Corresponding quarter of 1941" means the one of the several three-month periods of 1941, commencing January 1, April 1, July 1, or October 1, which includes the month corresponding with a 1942 month for which a quota is prescribed hereunder.

(c) *General restrictions.* (1) No packer shall deliver any spice in unground form or ground, distilled, or packed by or for him, except as permitted by this order.

(2) No wholesale receiver and no industrial receiver shall accept delivery of any spice from any person, nor re-sell or use any spice, except as permitted by this order.

(3) No person shall accept delivery of spices from any packer, and no person shall deliver spices to any wholesale receiver or industrial receiver, with knowledge or reason to believe that such packer is not entitled to deliver, or that such wholesale receiver or industrial receiver is not entitled to accept delivery of, such spices pursuant to this order.

(4) Every packer and every wholesale receiver shall sell spices equitably to purchasers and shall not favor purchasers who buy other products from them nor discriminate against purchasers who do not buy other products from them.

(d) *Quota restrictions and exceptions thereto.* (1) Except as permitted in subparagraph (4) of this paragraph, no packer shall, during the month of May 1942 or during any month thereafter, deliver more of any spice in unground form or ground, distilled or packed by or for him, than a percentage, determined by the Director of Industry Operations from time to time, of such packer's average monthly deliveries of such spice during the corresponding quarter of 1941.

(2) Except as permitted in subparagraph (4) of this paragraph, and subject to the inventory restriction of paragraph (e) of this section, no wholesale receiver and no industrial receiver shall, during the month of May 1942 or during any month thereafter, accept delivery of more of any spice than a percentage, determined by the Director of Industry Operations from time to time, of the average monthly deliveries of such spice accepted by such wholesale receiver or industrial receiver during the corresponding quarter of 1941.

(3) Any packer, any wholesale receiver, or any industrial receiver who was not in business during the whole of the corresponding quarter of 1941 but was in business during the whole of the last quarter of 1941 may compute his quota under subparagraphs (1) or (2) of this paragraph for any spice on the basis of the average monthly deliveries of such spice made by him (if he was a packer) or accepted by him (if he was a wholesale receiver or an industrial receiver) during the last quarter of 1941.

(4) Notwithstanding the foregoing restrictions, any packer may, without charge to his quota, deliver any spice to or for any of the following persons, and any wholesale receiver or any industrial receiver may, without charge to his quota, accept delivery of any spice for re-delivery, or for use in manufacturing or processing other products for delivery, to or for any of the following persons:

(i) The Army, the Navy, the Defense Supplies Corporation, Veterans Administration hospitals and homes, or any agency of the United States Government for supplies to be delivered to, or for the account of, the government of any country pursuant to the Act of March 11, 1941, entitled "An Act to Promote the Defense of the United States" (Lend-Lease Act).

(ii) The American Red Cross or the United Service Organizations.

(iii) Any person operating an oceangoing vessel engaged in the transportation of cargo or passengers in the foreign, coastwise, or intercoastal trade, for necessary supplies for such vessel.

(iv) Any person, for retail sale through concession restaurants at Army or Navy camps or through outlets not operated for private profit and established primarily for the use of army or navy enlisted personnel within army or navy establishments or on army or navy vessels, including post exchanges, sales commissaries, or officers' messes, servicemen's clubs, and ship service stores.

(5) All quotas hereunder shall be calculated quantitatively in terms of pounds.

(e) *Restrictions relating to wholesale receiver's and industrial receiver's inventory.* Except as specifically authorized by the Director of Industry Operations or for the purpose of filling orders under paragraph (d) (4) of this section:

(1) No wholesale receiver and no industrial receiver shall accept deliveries of any spice which will increase his inventory thereof to a total amount in excess of a 60-day supply (which for purposes of this order is, for any month, an amount equivalent to twice his quota of such spice for that month under paragraph (d) (2) of this section): *Provided*, That this provision shall not be construed as

[1] 7 F.R. 2471, 2679.

authorizing acceptance, during any month, of more than the quota for that month; and

(2) No wholesale receiver and no industrial receiver who, on the effective date of this order, has an inventory of any spice in excess of a 60-day supply may resell, deliver, or use, during any month until such excess is disposed of, more than an amount equivalent to his quota of such spice for that month under paragraph (d) (2) of this section:

Provided, however, That a wholesale receiver need not include, in determining whether his inventory of any spice exceeds a 60-day supply, any quantity of such spice actually in retail stores or outlets owned by him nor any quantity of such spice acquired by him for his operations as a packer or an industrial user (if he is a packer or an industrial user as well as a wholesale receiver).

(f) *Advance deliveries.* Advance deliveries for any quota period may be made and accepted within ten days prior to the beginning of such period.

(g) *Existing contracts.* The fulfillment of existing contracts for the sale of spices is permissable only to the extent that such fulfillment does not violate the quota or inventory restrictions imposed by this order.

(h) *Reports.* Every packer, every wholesale receiver, and every industrial receiver participating in any transaction to which this order applies shall execute and file with the War Production Board such reports and questionnaires as such Board may from time to time request.

(i) *Records.* Every packer, every wholesale receiver, and every industrial receiver participating in any transaction to which this order applies shall keep and preserve, for a period of not less than two years, records which, upon examination, will disclose his total monthly inventories of any spice, the monthly deliveries of any spice made by him (if he is a packer) or accepted by him (if he is a wholesale receiver of an industrial receiver), and his use of any spice (if he is an industrial user). If the sales slips, invoices, bills or other instruments or records customarily employed by him are sufficient to furnish the information herein required, no additional system need be installed to meet the requirements of this provision.

(j) *Audit and inspection.* All records required to be kept by this order shall, upon request, be submitted to audit and inspection by duly authorized representatives of the War Production Board.

(k) *Applicability of order.* (1) This order applies to all spices, as defined in paragraph (b) (2) of this section, now in, or hereafter brought into, the Continental United States (excluding the Canal Zone and Alaska).

(2) In the case of any person who combines two or three of the functions of a packer, a wholesale receiver, and/or an industrial receiver, the provisions hereof applicable to packers shall apply to his operations, if any, as a packer, the provisions hereof applicable to wholesale receivers shall apply to his operations, if any, as a wholesale receiver, and the provisions hereof applicable to industrial receivers shall apply to his operations, if any, as an industrial receiver.

(l) *Violations.* Any person who willfully violates any provision of this order, or who, in connection with this order, willfully conceals a material fact or furnishes false information to any department or agency of the United States is guilty of a crime and, upon conviction, may be punished by fine or imprisonment. In addition, any such person may be prohibited from making or accepting further deliveries of or from processing or using material under priority control and may be deprived of priorities assistance.

(m) *Appeals.* Any person affected by this order who considers that compliance herewith would work an exceptional and unreasonable hardship upon him may appeal to the War Production Board, setting forth on Form PD-396 the information required therein. The Director of Industry Operations may thereupon take such action as he deems appropriate.

(n) *Communications to the War Production Board.* All reports required to be filed hereunder and all communications concerning this order shall, unless otherwise directed, be addressed to: War Production Board, Washington, D. C., Ref: M-127. (P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561, E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 8th day of May, 1942.

J. S. KNOWLSON,
Director of Industry Operations.

[F. R. Doc. 42-4139; Filed, May 8, 1942; 11:14 a. m.]

PART 1177—SPICES

SUPPLEMENTARY ORDER M-127-a [1]

§ 1177.2 *Supplementary Order M-127-a.* Pursuant to Order M-127, which this order supplements, the Director of Industry Operations hereby determines that, for the month of May 1942 and for each month thereafter, until otherwise ordered, the quota of any spice listed below, shall be, for any packer, any wholesale receiver, any Class I industrial receiver, or any Class II industrial receiver, the percentage, specified for such person in the appropriate column below, of the average monthly deliveries of such spices made by him (if he was a packer) or accepted by him (if he was a wholesale receiver or an industrial receiver) during the corresponding quarter of 1941:

Designated spice	Quota percentages for—			
	Packer	Wholesale receiver	Class I industrial receiver	Class II industrial receiver
Black pepper	100	100	100	100
Pimento (allspice)	75	50	75	50
Cassia (cinnamon)	75	50	75	50
Cloves	75	50	75	50
Ginger	75	50	75	50
Nutmeg	75	50	75	50
Mace	75	50	75	50
White pepper	75	50	75	50

[1] See Order M-127, above.

PART 1191—COFFEE

AMENDMENT NO. 1 TO CONSERVATION ORDER M-135

Section 1191.1, *Conservation Order M-135,*[1] is hereby amended by inserting after paragraph (d) and before paragraph (e) the following new paragraph:

(d-1) *Restrictions relating to roaster's inventory.* No person shall knowingly make delivery of any green coffee to any roaster, and no roaster shall accept delivery thereof if the roaster's inventory is, or will by virtue of such acceptance become, in excess of a two months supply, (which for purposes of this order is an amount equivalent to twice his quota for the month next following, under paragraphs (d) (1) and (d) (3)). Any roaster having in his possession or under his control more than a month's supply of roasted coffee shall include such roasted coffee with his green coffee in determining the total supply permitted him by this paragraph, but a supply of roasted coffee amounting to less than a month's supply shall be disregarded in determining such total permitted supply. (P.D. Reg. 1, as amended, 6 F.R. 6680; W.P.B. Reg. 1, 7 F.R. 561, E.O. 9024, 7 F.R. 329; E.O. 9040, 7 F.R. 527; sec. 2 (a), Pub. Law 671, 76th Cong., as amended by Pub. Law 89, 77th Cong.)

Issued this 8th day of May 1942.

J. S. KNOWLSON,
Director of Industry Operations.

[F. R. Doc. 42-4159; Filed, May 8, 1942; 11:14 a. m.]

Chapter XI—Office of Price Administration

PART 1301—MACHINE TOOLS

AMENDMENT NO. 9 TO REVISED PRICE SCHEDULE NO. 67 [1]—NEW MACHINE TOOLS

A statement of the considerations involved in the issuance of this Amendment has been issued simultaneously herewith and filed with the Division of the Federal Register. Subparagraph (7) of § 1301.51 (a) and subparagraph (2) of § 1301.54 (e) are amended as set forth below:

§ 1301.51 *Maximum prices for new machine tools and extras.* (a) * * *

(7) *Defiance Machine Works, Inc., Defiance, Ohio.* Notwithstanding any other provisions of this paragraph (a), on and after April 2, 1942, regardless of the terms of any existing contract of sale or other commitment, the maximum price at

[1] 7 F.R. 3114.

which Defiance Machine Works, Inc. may sell, offer to sell, deliver or transfer, and the maximum price at which any person may buy, offer to buy, or accept delivery from Defiance Machine Works, Inc., of any of the below described machine tools manufactured by Haughton Elevator Company of Toledo, Ohio, as subcontractor, shall be the price set opposite each such machine tool in the following table:

Type	Quantity	Maximum price
		Each
Model No. 112-21" Production Drilling Machine, manufactured by Haughton Elevator Company, as subcontractor, for Defiance Machine Works, Inc.	100	$1,600.00
Model No. 200-26" Heavy Duty Production Drilling Machine, manufactured by Haughton Elevator Company as subcontractor, for Defiance Machine Works, Inc.	50	2,062.00

* * * * *

§ 1301.54 *Records and reports.* * * *

(e) * * *

(2) *Defiance Machine Works, Inc., Defiance, Ohio.* Defiance Machine Works, Inc., shall file with the Office of Price Administration, Washington, D. C., the serial number of each machine tool described in the table set forth in § 1301.51 (a) (7) within ten days after each such serial number shall become available.

* * * * *

§ 1301.59a *Effective date of amendments.*

* * * * *

(i) Amendment No. 9 (§§ 1301.51 (a) (7), 1301.54 (e) (2)) to Revised Price Schedule No. 67 shall become effective May 7, 1942.

Issued this 7th day of May 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-4125; Filed, May 7, 1942; 5:06 p. m.]

PART 1306—IRON AND STEEL

AMENDMENT NO. 2 TO REVISED PRICE SCHEDULE NO. 46[2]—RELAYING RAIL

A statement of the considerations involved in the issuance of this Amendment has been issued simultaneously herewith and has been filed with the Division of the Federal Register.

Sections 1306.260 (c) (3) and (d), are revoked, §§ 1306.255 (b) and (c), 1306.258 (a) and (b), 1306.260 (b) and (c) (1) are amended to read as follows, and new §§ 1306.255 (d) and 1306.257 (c) are added, as set forth below:

§ 1306.255 *Records and reports.* * * *

(b) *Purchase or purchases of relaying rail in excess of 100 gross tons in any calendar month.* Every person, other than the consumer, making a purchase or purchases of used rail, in quantities in excess of 100 gross tons in any calendar month after March 31, 1942, shall file with the Office of Price Administration, on or before the 15th day of the next succeeding calendar month, an affidavit by such purchaser, setting forth: (1) all of the purchases of rail made by such purchaser during the calendar month next preceding the month in which such affidavit is to be filed, (2) the estimated division of all rail so purchased among relaying, rerolling and scrap rail, (3) the weight per yard when new of all such rail which qualifies as relaying rail under Revised Price Schedule No. 46, as well as such further documents as may be required by the Office of Price Administration: *Provided,* That all rail so purchased shall be subject to any inspection and classification as to quality, which may be made by the Office of Price Administration.

(c) *Sales of relaying rail of 25 gross tons or more.* Every seller, except as hereinafter provided for in paragraph (d) of this section, making a sale to a consumer of relaying rail in quantities of 25 gross tons or more, shall file with the Office of Price Administration, not later than 15 days after such sale, an affidavit from the consumer stating: (1) the purpose or purposes for which such rail is to be used, (2) the quantity in gross tons, (3) weight per yard when new, (4) source, (5) shipping point price, and (6) delivered price of the shipment, and in the case of any sale or sales of rail made as above outlined and also made pursuant to paragraph (b) of § 1306.260, (7) the lowest railroad charge per gross ton for transporting such relaying rail from the railroad siding nearest the location of such rail to the basing point to which the lowest applicable railroad rate from such siding applies.

(d) *Sales by warehouses of relaying rail of 25 gross tons or more.* Every recognized relaying rail warehouse on or before the 15th day of each calendar month after April 30, 1942, shall file with the Office of Price Administration: (1) an affidavit from the owner or duly authorized agent of such warehouse, enumerating all sales, if any, of relaying rail of 25 gross tons or more made from such warehouse during the calendar month next preceding the calendar month in which such affidavit is to be filed, and stating in respect to the relaying rail involved in any and each such sale, the quantity in gross tons, weight per yard when new, source, shipping point price and delivered price, and if no such sales were made during any calendar month the affidavit shall so state; (2) an affidavit from each purchaser of 25 gross tons or more of relaying rail purchased from such warehouse during the next preceding calendar month stating the purpose or purposes for which such rail is to be used.

§ 1306.257 *Petitions for amendment, adjustment or exception.* * * *

(c) A petition for exception requesting permission to pay an agent a commission not to exceed $1.00 per gross ton, in addition to the maximum prices set forth in Appendix A, § 1306.260, for aiding the petitioner in locating and purchasing relaying rail, may be filed by any petitioner. The petition must demonstrate: (1) that the petitioner is in need of and shall utilize such relaying rail for his own consumption and not for resale, (2) that the petitioner is unable to locate and obtain such rail without the aid of an agent, (3) that such agent is employed by the petitioner and has no beneficial interest in the seller of such rail as employee or otherwise, and (4) that such agent has not taken and shall not take title to such rail. Petitions for such exceptions must be filed in accordance with Procedural Regulation No. 1 issued by the Office of Price Administration.

§ 1306.258 *Definitions.* * * *

(a) "Person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing.

(b) "Relaying rail" means rail, (1) which weighed 35 lbs. or more per yard when new, (2) which is suitable for relaying and which is to be used either for relaying or for those purposes other than relaying for which new rail is ordinarily and customarily used and (3) which has been submitted to all reconditioning processes, if any, necessary to render it fit for reuse.

* * * * *

§ 1306.260 *Appendix A: Maximum prices for relaying rail.* * * *

(b) *Maximum price for relaying rail originating from sources other than Class 1 railroads and Class 1 switching or terminal companies.* The maximum price, f. o. b. shipping point, for relaying rail other than rail originating from Class 1 railroads and Class 1 switching or terminal companies, shall be $30.00 per gross ton minus the lowest railroad charge for transporting such rail from the railroad siding nearest the location of such rail to the basing point to which the lowest applicable railroad rate from such siding applies: *Provided,* That the shipping point price need in no case be less than $24.00 per gross ton.

The following cities shall be deemed basing points:

Birmingham, Ala.
Boston, Mass.
Buffalo, N. Y.
Chicago, Ill.
Cincinnati, Ohio.
Cleveland, Ohio.
Denver, Colo.
Detroit, Mich.
Duluth, Minn.
Houston, Tex.
Kansas City, Mo.
Los Angeles, Calif.
Norfolk, Va.
Philadelphia, Pa.
Pittsburgh, Pa.
Portland, Oreg.
St. Louis, Mo.
San Francisco, Calif.
Savannah, Ga.
Seattle, Wash.

[1] 7 F.R. 1337, 1836, 2000, 2105, 2472, 2473, 2539, 2680, 2996.
[2] 7 F.R. 1295, 1836, 2132, 2508.

(c) *Maximum prices for relaying rail sold from warehouses.* (1) The maximum price of relaying rail which has been shipped to recognized relaying rail warehouses equipped with machinery for reconditioning and there unloaded, when sold from such warehouse, shall be as follows:

(i) For quantities of one carload or more: (*a*) $32.00 per gross ton f. o. b. warehouse for all such rail which weighed 60 lbs. or more per yard when new: (*b*) $35.84 per gross ton f. o. b. warehouse for all such rail which weighed 45 lbs. or more per yard, but less than 60 lbs. per yard, when new and; (*c*) $39.20 per gross ton f. o. b. warehouse for all such rail which weighed 35 lbs. or more per yard, but less than 45 lbs. per yard, when new;

(ii) For less than carload quantities of all weights of relaying rail which weighed 35 lbs. or more per yard when new: (*a*) $2.00 cwt. f. o. b. warehouse for quantities of 5 tons or more; and (*b*) $2.25 cwt. f. o. b. warehouse for quantities less than 5 tons.

(1a) There may be added to such maximum price set forth in paragraph (c) (1) of this section, charges for extras, where furnished pursuant to the purchaser's specifications, as follows: (i) 15¢ per cwt. for cutting to lengths of 10 to 15 feet, inclusive, together with such drilling as may be necessary; (ii) 20¢ per cwt. for cutting to lengths of less than 10 feet together with such drilling as may be necessary; (iii) 5¢ per cwt. for bonding; (iv) 10¢ per cwt. for special drilling.

* * * * *

§ 1306.259a *Effective dates of amendments.* * * *

(b) Amendment No. 2 (§§ 1306.255 (b), (c), (d), 1306.257 (c), 1306.258 (a), (b), 1306.259a (b), 1306.260 (b), (c) (1), (c) (3), and (d) to Revised Price Schedule No. 46 shall become effective May 11, 1942.

(Pub. Law 421, 77th Cong.)

Issued this 7th day of May 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-4132; Filed, May 8, 1942; 10:16 a. m.]

PART 1309—COPPER

ORDER REVOKING ORDER NO. 1 UNDER REVISED PRICE SCHEDULE NO. 20 [1]—COPPER AND COPPER ALLOY SCRAP

An opinion setting forth the grounds upon which this Order is issued has been issued simultaneously herewith and filed with the Division of the Federal Register.

Pursuant to the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, and in accord with Procedural Regulation No. 1,[2] issued by the Office of Price Administration, it is hereby ordered that Order No. 1[3] (§§ 1309.101 to 1309.104, inclusive) under Revised Price Schedule No. 20 be revoked.

This Order revoking Order No. 1 shall become effective May 21, 1942.

Issued this 8th day of May 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-4133; Filed, May 8, 1942; 10:15 a. m.]

[1] 7 F.R. 1131, 1245, 1643, 1836, 2106, 2132, 2897, 3242.

[2] 7 F.R. 971.

[3] 7 F.R. 1643.

PART 1316—COTTON TEXTILES

AMENDMENT NO. 3 TO REVISED PRICE SCHEDULE NO. 35—CARDED GREY AND COLORED-YARN COTTON GOODS

The word "pound" should appear after "Spot cotton prices—cents per" in the boxhead of the table in the second column on page 3164 of the issue for April 30, 1942.

AMENDMENT NO. 5 TO REVISED PRICE SCHEDULE NO. 89—BED LINENS

In the table appearing in § 1316.111 (c) on page 3328 of the issue for May 5, 1942, the boxhead "Specifications" should be followed by "[2]". The figures "3.2" in the second line of the last column of the table should be preceded by "". The first boxhead for the last table on the same page should have the figures "128" instead of "126". The last section number on page 3329 should read "§ 1316.110a".

PART 1330—CONTAINERS

Correction

The subtitle to the document appearing on page 3330 of the issue for May 5, 1942, should read "Amendment No. 1 to Maximum Price Regulation No. 55—Second Hand Bags".

PART 1340—FUEL

Corrections

In Amendment No. 4 to Temporary Maximum Price Regulation No. 11, the last section number (7 F.R. 3168) should read "§ 1340.183" instead of "§1340.198".

Maximum Price Regulation No. 120—Bituminous Coal Delivered from Mine or Preparation Plant, appearing in the issue for April 30, 1942, is corrected as follows:

On page 3171, the last two figures in column "12" of § 1340.215 (b) (1) should read "240" and "225" instead of "250" and "224".

On page 3172, the figures in column "7" opposite "N" of § 1340.218 (b) (6) should read "225" instead of "235".

On page 3174, the last figures in column "24" of § 1340.220 (b) (1) should read "200" instead of "002".

On page 3175 the first figures in columns "8", "9" and "10, 11, 12" of § 1340.222 (b) (1) should read "185", "180" and "175", respectively.

On page 3178, the eighth line of § 1340.232 (b) (2) should be deleted. On the same page the figures opposite "Subdistrict 'G'" of § 1340.233 (b) (1) are in error; they should read: Column 1—blank; column 2—515; column 3—515; column 4—475; column 5—475; column 6—blank; column 7—blank; column 8—475; column 9—475; column 10—425; column 11—425; column 12—410; column 13—blank; column 14—395; column 15—blank; column 16—385; column 17—blank; column 18—blank; column 19—410; column 20—blank; column 21—345; column 22—blank; column 23—345; column 24—225; column 25—blank; column 26—blank.

PART 1370—ELECTRICAL APPLIANCES

AMENDMENT NO. 2 TO MAXIMUM PRICE REGULATION NO. 111—NEW HOUSEHOLD VACUUM CLEANERS AND ATTACHMENTS

The effective date in paragraph (b) of § 1370.14 (7 F.R. 3330) should read "May 5, 1942".

PART 1390—MACHINERY AND TRANSPORTATION EQUIPMENT

MAXIMUM PRICE REGULATION NO. 136—MACHINES AND PARTS

A line of type is missing from paragraph (a) of § 1390.7 (7 F.R. 3199). The complete paragraph should read:

(a) Any sale, lease, delivery, or machine work for which a maximum price is established by any price schedule, regulation or order issued by the Office of Price Administration.

PART 1399—CONSTRUCTION, OIL FIELD, MINING, AND RELATED MACHINERY

MAXIMUM PRICE REGULATION NO. 134—CONSTRUCTION AND ROAD MAINTENANCE EQUIPMENT RENTAL PRICES

Section 1399.10 (f), *Table of rates* (7 F.R. 3204), should be corrected as follows: The text under the table "Air Compressors—Stationery; High Pressure; Gasoline" should read "Gasoline engine with belt, idler, unloader, automatic oiler, starter, receiver included." The first figures under "Per month" in the table for "Carts" (7 F.R. 3205) should read "$6.00." The first figures under "Per month" in the table for "Graders, Blade; Power Control—With Engine" (7 F.R. 3207) should read "$200.00." The following table appeared in the original document but was omitted from the certified copies filed with the Division of the Federal Register; it should follow the table for "Graders—Continued; Pull Type" (7 F.R. 3207):

Power Control—Leaning Wheels, Steel Wheels, or Pneumatic Tires

	Per month	Per week	Per day
10 ft	$190.00	$63.00	$16.00
12 ft	225.00	75.00	19.00

The last figures under "Per day" in the table for "Lighting Plants" (7 F.R. 3208) should read "12.00".

PART 1405—FERRO-ALLOYS

MAXIMUM PRICE REGULATION NO. 138—STANDARD FERROMANGANESE

The first "or" in the first line of the third column on page 3212 of the issue for April 30, 1942, should read "on". In the table at the bottom of the same column, the printer used "%" for "%".

TITLE 42—PUBLIC HEALTH

Chapter I—United States Public Health Service, Federal Security Agency

PART 29—PAYMENTS TO ESTABLISH RESERVES OF BLOOD PLASMA

REGULATIONS OF THE SURGEON GENERAL GOVERNING GRANTS TO HOSPITALS FOR ESTABLISHING RESERVES OF BLOOD PLASMA

Whereas, on April 11, 1942, there was allotted from the "Emergency Fund for the President" to the United States Public Health Service the amount of $292,500.00 "to be expended by said Public Health Service in connection with emergencies affecting the national security and defense for procuring and establishing either independently or, subject to regulations to be promulgated by the Surgeon General, by grants to public and private hospitals located not more than 300 miles from ocean or Gulf Coast, reserves of liquid, frozen or dry blood plasma or serum albumin for the treatment of casualties resulting from enemy action", the following regulations are promulgated to govern the administration of grants under this allotment:

Sec.
29.1 Eligibility for grants.
29.2 Approval of plans.
29.3 Conditions of grants.
29.4 Method of payment.

AUTHORITY: §§ 29.1 to 29.4, inclusive, issued under Pub. Law 28, 77th Cong.

§ 29.1 *Eligibility for grants.* Preference shall be given to hospitals serving communities whose geographical location implies a likelihood of civilian casualties from enemy action, and which have inadequate blood and plasma reserves.

To be eligible for a grant a public or private hospital located not more than 300 miles from ocean or Gulf Coast shall:

(a) Have a capacity of not less than 200 beds, exclusive of bassinets, provided that two or more smaller hospitals totaling 200 beds may submit a cooperative project designating one of the participating hospitals as the grantee;

(b) Be on the approved list of the American College of Surgeons and the Hospital Register of the American Medical Association;

(c) Have on the professional staff a physician whose qualifications are the equivalent of those required by the American Board of Pathology for its diplomates.

§ 29.2 *Approval of plans.* A grant shall cover a period of not more than twelve months following the approval of the plan, or not beyond June 30, 1943, and may be used only for the purchase of equipment necessary for the preparation of liquid or frozen plasma, reconditioning or minor alterations of existing quarters, necessary travel and subsistence allowance of $6.00 per diem to cover a training period, if required, of not more than one week, for the physician directing the blood plasma project, and temporary salaries of personnel necessary for the establishment of a blood and plasma project.

A hospital desiring to receive a grant shall submit a plan to the Chief Medical Officer, Office of Civilian Defense, who is authorized to receive such plans on behalf of the Surgeon General of the United States Public Health Service. A plan shall contain the following information:

(a) The number of hospital beds classified according to use;

(b) The name and qualifications of the physician who will direct the plasma project;

(c) Description of present blood and plasma project, if any;

(d) The type and amount of plasma reserves which the institution desires to prepare;

(e) The delivered price of equipment necessary to complete the existing facilities for preparing such plasma—such items to be numbered and described in accordance with the equipment inventory in "A Manual on Citrated Normal Human Blood Plasma," issued by the Office of Civilian Defense, or equivalent approved substitute equipment;

(f) The cost of materials or labor, if any, needed for adapting existing quarters to the needs of the blood plasma project;

(g) The salaries, if any, to be paid additional personnel until the plasma reserve has been prepared. Salary items shall also show the proposed periods of employment for each individual and the proposed monthly rates of pay.

When a plan is recommended by the Chief Medical Officer of the Office of Civilian Defense for the approval of the Surgeon General, the hospital will be furnished a budget and acceptance form to be signed, notarized and returned to the Chief Medical Officer, Office of Civilian Defense.

§ 29.3 *Conditions of grants.* (a) The hospital shall agree to build up a plasma reserve of at least one unit per bed within three months after delivery of the necessary equipment. A unit of plasma is that amount derived from 500 cc. of citrated whole blood, consisting of about 250 cc. of liquid plasma;

(b) The agreed amount of plasma reserve shall be maintained for use without charge and only for treatment of casualties caused by enemy action. The reserve shall be released for use in other local hospitals for this purpose on order of the local Chief of Emergency Medical Service and for transfer within the State on order of the State Chief of Emergency Medical Service, or transfer from one State to another on the order of the Regional Medical Officer, Office of Civilian Defense;

(c) Liquid plasma shall be kept from being outdated by replacement of older by newer plasma. Replaced units may be utilized for current needs of the hospital in the treatment of its regular patients, provided the plasma reserve shall not be allowed to fall below the stated minimum;

(d) All plasma shall be prepared in accordance with manuals of the Office of Civilian Defense prepared by the Subcommittee on Blood Substitutes of the National Research Council;

(e) The hospital shall agree to continue the plasma project for its current needs after the expiration of the Federal grant and to maintain for the duration of the war the minimum stated reserve; thereafter the reserve may be used by the hospital without restriction;

(f) A record shall be kept of all blood donors, including their blood types, to expedite obtaining donors for emergencies;

(g) No funds made available under the grant shall be used for the payment of blood donors;

(h) Any blood plasma project under this program shall be subject to inspection by authorized representatives of the Surgeon General of the Public Health Service.

§ 29.4 *Method of payment.* Payments will be made on a reimbursement basis for expenditures made in accordance with the approved budget. Applications for reimbursement shall be notarized and addressed to the Chief Medical Officer, Office of Civilian Defense. The procedure for payment will be as follows:

(a) Payments to cover the purchases of non-expendable equipment aggregating $300 or more will be made upon receipt from the authorized administrative head and accounting officer of the hospital, of an itemized statement of the purchases supported by invoices showing the date of delivery of such equipment;

(b) Payment will be made for the authorized training expenses of the physician who is to direct the blood plasma project whenever the hospital presents a notarized claim itemizing the travel and per diem allowance incident to the training;

(c) Reimbursement for other items of the approved budget will begin only after actual production of blood plasma is started. During the first three months of production, reimbursement will be made on a monthly basis and quarterly thereafter for the duration of the grant. Such reimbursement will be made only upon receipt of a report form prescribed by the Surgeon General from the institution showing approved expenditures made during the period, total plasma prepared during the month, and the total reserve on hand to date;

(d) Payments may be withheld and plasma produced as part of this project may be transferred by the Surgeon General from any hospital which fails to meet the conditions of the grant or to comply with the regulations;

(e) Each hospital shall submit monthly reports during the period of the grant showing the amounts of plasma on hand and used; thereafter, for the duration of the war the hospital shall submit

such reports quarterly on its use of the plasma;

(f) Hospitals shall submit promptly reports including clinical abstracts of any untoward experiences encountered in the use of plasma for the duration of the war.

[SEAL] THOMAS PARRAN,
Surgeon General.

APRIL 17, 1942.

Approved May 6, 1942.

PAUL V. MCNUTT,
Administrator, Federal Security Agency.

[F. R. Doc. 42-4158; Filed, May 8, 1942; 11:54 a. m.]

Notices

DEPARTMENT OF THE INTERIOR.

Bituminous Coal Division.

[Docket No. 1766-FD]

IN THE MATTER OF D & W COAL COMPANY, CODE MEMBER

ORDER POSTPONING HEARING AND CHANGING PLACE OF HEARING

The hearing in the above-entitled matter having been reopened by Order of the Acting Director entered herein on April 23, 1942, for further hearing on May 8, 1942, at 10:00 A. M. at Room 437, New Federal Building, Pittsburgh, Pennsylvania, for the purpose of taking additional evidence concerning the violations of the above-named D & W Coal Company or relevant to the penalties attendant thereon; and

A motion dated May 5, 1942, having been duly filed on May 5, 1942, by the above-named code member with the Bituminous Coal Division requesting that the aforesaid reopened hearing be postponed to May 28, 1942, at a hearing room of the Bituminous Coal Division at Washington, D. C.; and

The Acting Director deeming it advisable that said motion should be granted,

Now, therefore, it is ordered, That the said reopened hearing in the above-entitled matter be, and the same hereby is, postponed from 10:00 A. M. on May 8, 1942, to 10:00 A. M. on May 28, 1942, and the place of such hearing be, and the same hereby is, changed from a hearing room of the Bituminous Coal Division, 437 New Federal Building, Pittsburgh, Pennsylvania, to a hearing room of the Bituminous Coal Division, 734 15th Street NW., Washington, D. C. On such day the Chief of the Records Section in Room 502 will advise as to where such hearing will be held

It is further ordered, That the said Order of the Acting Director dated April 23, 1942, shall in all other respects remain in full force and effect.

Dated: May 7, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-4146; Filed, May 8, 1942; 11:21 a m.]

[Docket No. D-17]

CONTINENTAL COAL CO.

ORDER POSTPONING HEARING

Application of Continental Coal Company for permission to receive sales agents' commissions and distributors' discounts on coal sold to certain retail yards in which it is financially or otherwise interested.

The above-entitled matter by Order dated April 24, 1942, having been scheduled for hearing at 10 a. m. on May 19, 1942, at a hearing room of the Bituminous Coal Division at the Billings Commercial Club, Billings, Montana; and

The Acting Director deeming it advisable that said hearing should be postponed;

Now, therefore, it is ordered, That the hearng in the above-entitled matter be postponed from 10 a. m. on May 19, 1942, to a time and place and before an Examiner to be hereafter designated by a proper order of the Division.

Dated: May 7, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-4147; Filed, May 8, 1942; 11:21 a. m.]

[Docket No. B-250]

IN THE MATTER OF CLAUDE B. BRATCHER, AN INDIVIDUAL, DOING BUSINESS UNDER THE NAME AND STYLE OF CLAUDE B. BRATCHER COAL MINE, CODE MEMBER

NOTICE OF AND ORDER FOR HEARING

A complaint dated April 20, 1942, pursuant to the provisions of sections 4 II (j) and 5 (b) of the Bituminous Coal Act of 1937 (the "Act"), having been duly filed on April 23, 1942, by Bituminous Coal Producers Board for District No. 9, a district board, complainant, with the Bituminous Coal Division (the "Division"), alleging wilful violation by Claude B. Bratcher the "Code member"), of the Bituminous Coal Code (the "Code"), or rules and regulations thereunder;

It is ordered, That a hearing in respect to the subject matter of such complaint be held on June 15, 1942, at 10 a. m. at a hearing room of the Bituminous Coal Division at the Post Office Building, Owensboro, Kentucky.

It is further ordered, That Charles S. Mitchell or any other officer or officers of the Division duly designated for that purpose shall preside at the hearing in such matter. The officer so designated to preside at such hearing is hereby authorized to conduct said hearing, to administer oaths and affirmations, examine witnesses, take evidence, to continue said hearing from time to time, and to such places as he may direct by announcement at said hearing or any adjourned hearing or by subsequent notice, and to prepare and submit proposed findings of fact and conclusions and the recommendation of an appropriate order in the premises, and to perform all other duties in connection therewith authorized by law.

Notice of such hearing is hereby given to said Code member and to all other parties herein and to all persons and entities having an interest in such proceeding. Any person or entity eligible under § 301.123 of the Rules and Regulations Governing Practice and Procedure Before the Division in Proceedings Instituted Pursuant to sections 4 II (j) and 5 (b) of the Act, may file a petition for intervention not later than five (5) days before the date herein set for hearing on the complaint.

Notice is hereby given that answer to the complaint must be filed with the Division at its Washington Office or with any one of the statistical bureaus of the Division, within twenty (20) days after date of service thereof on the Code member; and that failure to file an answer within such period, unless otherwise ordered, shall be deemed to be an admission of the allegations of the complaint herein and a consent to the entry of an appropriate order on the basis of the facts alleged.

Notice is also hereby given that if it shall be determined that the Code member has wilfully committed any one or more of the violations alleged in the complaint, an order may be entered either revoking the membership of the Code member in the Code or directing the Code member to cease and desist from violating the Code and regulations made thereunder.

All persons are hereby notified that the hearing in the above entitled matter and orders entered therein may concern, in addition to the matters specifically alleged in the complaint herein, other matters incidental and related thereto, whether raised by amendment of the complaint, petition for intervention, or otherwise, and all persons are cautioned to be guided accordingly.

The matter concerned herewith is in regard to the complaint filed by said complainant, alleging wilful violations by the above named Code member as follows:

That the code member, whose address is Beaver Dam, Kentucky, whose code membership became effective as of December 23, 1937, who operates the Claude B. Bratcher Mine (Mine Index No. 407) located in Ohio County, Kentucky, District No. 9, has wilfully violated section 4 II (e) of the Bituminous Coal Act of 1937 and Part II (e) of the Bituminous Coal Code promulgated thereunder by selling subsequent to September 30, 1940 coal produced at the aforesaid mine below the effective minimum prices therefor as set forth in the Schedule of Effective Minimum Prices For District No. 9 For Truck Shipment, approximately 216 tons of 1¾" lump, 1¾" x ½" nut, and ½" lump coal, during the period from August 1, 1941 to September 3, 1941, both dates inclusive, to Buell Bratcher as follows:

Size of coal	Size group	Quantity	Sales price f. o. b. mine	Effective minimum f. o. b. mine price
		Tons		
1¾" lump	4	108	$1.50	$1.85
1¾" x ½" nut	8	54	1.50	1.60
½" lump	6	54	1.50	1.70

That the code member has also violated section 4 II (i) 8 of the Act, Part II (i) 8 of the Code, Rule 2 of section XII and Rule 8 of section XIII of the Marketing Rules and Regulations by intentionally misrepresenting the sizes of the coal referred to above in that said sizes were falsely recorded on truck sales tickets.

Dated: May 7, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-4148; Filed, May 8, 1942; 11:21 a. m.]

[Docket No. A-1406]

J & S COAL CO.

ORDER GRANTING TEMPORARY RELIEF

Petition of J & S Coal Company for the temporary establishment of an additional shipping point for the McWilliams No. 4 Mine, Mine Index No. 3419, in District No. 1, for all shipments except truck, pursuant to section 4 II (d) of the Bituminous Coal Act of 1937.

An original petition pursuant to section 4 II (d) of the Bituminous Coal Act of 1937, having been duly filed with this Division by the above-named party, requesting the establishment of an additional shipping point for the McWilliams #4 Mine, Mine Index No. 3419, of J & S Coal Company, in District No. 1, at McWilliams, Pennsylvania, in Freight Origin Group 126 for rail shipments on the Pittsburgh & Shawmut Railroad on the ground that its tipple at Echo, Pennsylvania, on the Baltimore and Ohio Railroad has not yet been completed; and

It appearing that a reasonable showing of necessity has been made for the granting of temporary relief in the manner hereinafter set forth, and no petitions of intervention having been filed with the Division in the above-entitled matter, and the following action being deemed necessary in order to effectuate the purposes of the Act;

It is ordered, That, pending final disposition of the above-entitled matter, temporary relief is granted as follows: Commencing forthwith, the price classifications and minimum prices effective for the coals of the McWilliams #4 Mine, Mine Index No. 3419, of J & S Coal Company for rail shipments from Echo, Pennsylvania, on the Baltimore and Ohio Railroad shall also be effective for rail shipments from McWilliams, Pennsylvania, on the Pittsburgh & Shawmut Railroad, and all adjustments required or permitted of mines in Freight Origin Group No. 126 shall be applicable to such shipments from McWilliams, Pennsylvania, and Echo, Pennsylvania.

It is further ordered, That, applications to stay, terminate or modify the temporary relief herein granted may be filed with the Division pursuant to the Rules and Regulations Governing Practice and Procedure before the Bituminous Coal Division in Proceedings Instituted Pursuant to section 4 II (d) of the Bituminous Coal Act of 1937.

It is further ordered, That the relief herein granted shall terminate ninety (90) days from the date of this Order, or upon completion of the said rail shipping point at Echo, Pennsylvania, on the Baltimore and Ohio Railroad, whichever shall first occur, unless it shall otherwise be ordered.

Dated: May 7, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-4145; Filed, May 8, 1942; 11:22 a. m.]

[Docket No. B-221]

IN THE MATTER OF LONE STAR COAL COMPANY, INCORPORATED, CODE MEMBER

ORDER GRANTING APPLICATION, TERMINATING CODE MEMBERSHIP, PROVIDING FOR PAYMENT OF TAX FOR RESTORATION OF CODE MEMBERSHIP AND CANCELLING HEARING

A complaint dated January 15, 1942, pursuant to the provisions of sections 4 II (j) and 5 (b) of the Bituminous Coal Act of 1937 (the "Act"), having been duly filed on January 17, 1942, by the Bituminous Coal Producers Board for District No. 11, complainant, with the Bituminous Coal Division (the "Division"), alleging that the Lone Star Coal Company, Incorporated, a code member, which operates the Lone Star No. 3 Mine, Mine Index No. 118, located in Nevins Township, Vigo County, Indiana and the Lone Star No. 1 Mine, Mine Index No. 55, located in Posey Township, Clay County, Indiana, during the period November 9, 1940 to July 15, 1941, both dates inclusive, violated Rule 1 (J) of section VII of the Marketing Rules and Regulations promulgated by the Bituminous Coal Division pursuant to the Bituminous Coal Act of 1937 in the sale of coal produced from its aforesaid mines by prepaying freight charges upon certain shipments of coal by rail as more fully set forth in the complaint herein; and

The Notice of and Order for Hearing, dated March 4, 1942, and the complaint herein having been duly served on the code member on March 9, 1942, and said hearing having been scheduled for April 8, 1942, at 10 a. m., at a hearing room of the Bituminous Coal Division at the Post Office Building, Terre Haute, Indiana, and said hearing having been postponed by Order dated April 2, 1942, to a date and at a hearing room to be thereafter designated by an appropriate Order; and

The code member having duly filed on March 20, 1942, with the Division an application dated March 18, 1942, for the disposition of this proceeding without formal hearing, pursuant to § 301.132 of the Rules of Practice and Procedure Before the Bituminous Coal Division; and having filed on March 31, 1942, an amendment dated March 31, 1942, to said application; and

Notice, dated April 11, 1942, of the filing of said application as amended, having been published in the FEDERAL REGISTER on April 15, 1942, pursuant to § 301.132 of the Rules of Practice and Procedure, and copies thereof having been duly mailed to interested parties including the Bituminous Coal Producers Board for District No. 11, complainant herein; and

Said Notice of filing having provided that interested parties desiring to do so might, within fifteen days from the date of said Notice, file recommendations or requests for informal conferences in respect to said application, and it appearing that no such recommendations or requests were filed with the Division within said fifteen-day period; and

It further appearing in said application as amended that the code member admitted that said code member, during the period November 9, 1940 to July 15, 1941, both dates inclusive, by its duly authorized agent prepaid the freight charges on 34 cars of coal containing 2,365.75 tons of 3/8" carbon produced at said code member's aforesaid mines and sold and delivered by it to the Columbian Enameling and Stamping Company, Inc., at Terre Haute, Indiana at the effective minimum price therefor of 50 cents per ton f. o. b. the mine, in violation of Rule 1 (J) of section VII of the Marketing Rules and Regulations; and

It further appearing in said application as amended that the code member represents that it has not to the best of its knowledge and belief committed any violations of the Act, the Code, or regulations thereunder other than those described in said Notice of and Order for Hearing; and

It further appearing in said application as amended that the code member consents to the entry of an order revoking its membership in the Code and imposing a tax in the amount of $461.32 as a condition precedent to the restoration of its membership in the Code and agrees to pay such tax within twenty days after being served with such an Order of Revocation as a condition to such restoration;

Now, therefore, pursuant to the authority vested in the Division of section 4 II (j) of the Act, authorizing it to adjust complaints of violation and to compose the differences of the parties thereto, upon the application of the code member, dated March 18, 1942, for disposition without formal hearing of the charges contained in the complaint herein, and filed with the Division on March 20, 1942, pursuant to said § 301.132 of the Rules of Practice and Procedure, the amendment dated March 31, 1942, to said application, which was filed with the Division on March 31, 1942, and upon evidence in the possession of the Division;

It is hereby found as follows:

(a) Lone Star Coal Company, Incorporated is a corporation organized and existing under the laws of the State of Indiana with its principal office at Terre Haute, Indiana, and is engaged primarily in the production and sale of bituminous coal:

(b) On June 20, 1937, the code member filed with the National Bituminous Coal Commission its acceptance dated June 18, 1937, of the Code; said Code Acceptance was made effective by the National Bituminous Coal Commission as of June 20, 1937, and such action was ratified by the Order of the Secretary of the Interior, dated July 1, 1939, and adopted by the Bituminous Coal Division; and the code member has been ever since said June 20, 1937, and is now, a code member in District No. 11, operat-

ing the Lone Star No. 3 Mine, Mine Index No. 118, located in Nevins Township, Vigo County, Indiana and the Lone Star No. 1 Mine, Mine Index No. 55, located in Posey Township, Clay County, Indiana;

(c) That the code member, during the period November 9, 1940 to July 15, 1941, both dates inclusive, wilfully violated the provisions of Rule 1 (J) of section VII of the Marketing Rules and Regulations by prepaying the freight charges on 34 cars of coal containing 2,365.75 tons of 3/8" carbon produced at said code member's aforesaid mines and sold and delivered by it to the Columbian Enameling and Stamping Company, Inc., at Terre Haute, Indiana at the effective minimum price therefor of 50 cents per ton f. o. b. the mine.

It is hereby further found that the amount of tax imposed by Sections 5 (b) and (c) of the Act upon the above tonnage of 2,365.75 tons and required to be paid by the code member as a condition to restoration of its membership in the Code is $461.32, which amount is 39 per cent of the aggregate of the effective minimum prices therefor of $1,182.87;

Now, therefore, based upon the above findings and upon said admissions and the consent filed by the code member pursuant to § 301.132 of the Rules of Practice and Procedure;

It is ordered, That the foregoing application of the code member as amended heretofore filed with the Division be and the same is hereby granted;

It is further ordered, That pursuant to section 5 (b) of the Act, the membership in the Code of Lone Star Coal Company, Incorporated be and the same is hereby revoked and cancelled;

It is further ordered, That prior to its restoration to membership in the Code, said Lone Star Coal Company, Incorporated shall pay to the United States Government a tax in the amount of $461.32, as provided in section 5 (c) of the Act; and

It is further ordered, That such cancellation and revocation of code membership shall become effective twenty (20) days from the date of service of this Order upon said code member; and

It is further ordered, That the hearing herein heretofore postponed to a date and place to be thereafter designated by an appropriate order be and the same is hereby cancelled.

Dated: May 5, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-4149; Filed, May 8, 1942; 11:22 a. m.]

[Docket No. 1810-FD]

IN THE MATTER OF R. D. ALLMAN, DEFENDANT

ORDER RESTORING CODE MEMBERSHIP

An order having been entered in the above-entitled matter dated December 17, 1941, revoking and cancelling the membership of the above-named defendant in the Bituminous Coal Code and providing for the payment of a tax of $22.21 as a condition precedent to restoration of code membership; and

Said order having been served on said defendant on January 5, 1942; and

It appearing that said defendant has paid to the Collector of Internal Revenue at Parkersburg, West Virginia, on January 8, 1942, the sum of $22.21, pursuant to said order dated December 17, 1941, as a condition precedent to the restoration of code membership;

Now, therefore, it is ordered, That the membership of the said R. D. Allman in the Bituminous Coal Code be and the same hereby is restored effective as of January 5, 1942.

Dated: May 6, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-4152; Filed, May 8, 1942; 11:22 a.m.]

[Docket No. B-34]

IN THE MATTER OF HIGH POINT COAL COMPANY, CODE MEMBER, DEFENDANT

NOTICE OF FILING OF APPLICATION FOR DISPOSITION OF PROCEEDING WITHOUT FORMAL HEARING

Notice is hereby given that High Point Coal Company, code member in District No. 8, defendant in the above-entitled matter, on January 19, 1942, filed herein an application dated January 16, 1942, pursuant to § 301.132 of the Rules and Regulations Governing Practice and Procedure Before the Bituminous Coal Division for the Disposition Without Formal Hearing of Compliance Proceedings; on February 9, 1942, filed a supplemental application dated February 6, 1942; and on February 18, 1942, filed a second supplemental application dated February 16, 1942, that by telegram dated March 5, 1942, the Acting Director denied such application as supplemented; that on April 13, 1942, said code member filed a motion dated April 11, 1942, for reconsideration of said application as supplemented; and that the Acting Director deems it advisable that said application as supplemented should now be reconsidered.

The Bituminous Coal Producers Board for District No. 8, as complainant on September 16, 1941, filed a complaint dated September 15, 1941, in the above entitled matter, pursuant to section 4 II (j) and 5 (b) of the Bituminous Coal Act of 1937; on February 2, 1942, filed a motion dated February 2, 1942, to amend said complaint; and on February 9, 1942, filed a motion dated February 9, 1942, further to amend said complaint. By Order entered herein on February 28, 1942, said motion to amend complaint and said motion further to amend complaint were granted. Said complaint as amended alleged that the above-named code member, which operates the High Point No. 1 Mine, Mine Index No. 241, located at or near Caryville, Tennessee, had wilfully violated the provisions of the Bituminous Coal Code and the effective minimum prices established thereunder during the period October 7, 1940, to March 31, 1941, both dates inclusive, by selling, delivering and offering for sale to various purchasers 4788.70 tons of 4" egg, 5" x 6" egg, 2½" x 6" egg, and 6" block coal produced at said mine at prices less than the established minimum prices f. o. b. cars at the said mine for such sales, deliveries, and offers to sell.

In said application as supplemented, the above-named code member;

1. admits that it violated the Code as alleged in said complaint herein as amended, by describing, billing and selling 2½ x 6 inch egg coal and 6 inch block coal as 2½ x 5 inch egg coal and 5 inch block coal, respectively; and

2. consents—

(a) to the entry of an order cancelling and revoking its code membership or an order revoking its code membership and also enjoining and restraining the applicant from violating the Code and regulations made thereunder upon any restoration of its code membership; and

(b) to the imposition of a total tax of $465.90, based upon 423.55 tons of 2½" x 6" egg coal described, billed and sold as 2½" x 5" egg coal, for which the aggregate effective minimum price was $1,194.62, during the period from March 18, 1941 to March 31, 1941, both dates inclusive, and states that it is ready and willing to pay that amount of tax promptly if and when its said application is granted. Interested parties desiring to do so may within fifteen (15) days from the date of this notice file recommendations or requests for informal conferences in respect to the above-described application.

Dated: May 7, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-4150; Filed, May 8, 1942; 11:23 a. m.]

[Docket No. B-48]

IN THE MATTER OF SUN COAL COMPANY, CODE MEMBER, DEFENDANT

NOTICE OF FILING OF APPLICATION FOR THE DISPOSITION OF PROCEEDING WITHOUT FORMAL HEARING

Notice is hereby given that Sun Coal Company, code member in District No. 8, defendant in the above-entitled matter, filed herein, on January 19, 1942, an application dated January 16, 1942, pursuant to § 301.132 of the Rules and Regulations Governing Practice and Procedure Before the Bituminous Coal Division for the Disposition Without Formal Hearing of Compliance Proceedings, and on February 9, 1942, filed a supplemental application dated February 6, 1942; that by telegram dated March 5, 1942, the Acting Director denied such application as supplemented; that on April 13, 1942, said code member filed a motion dated April 11, 1942 for reconsideration of said application as supplemented and on April 22, 1942, filed a second supplemental application dated April 21, 1942; and that the Acting Director deems it advisable that said application as supplemented should now be reconsidered.

The Bituminous Coal Producers Board for District No. 8 as complainant on September 24, 1941, filed a complaint dated September 9, 1941, in the above-entitled matter, pursuant to sections 4 II (j) and 5 (b) of the Bituminous Coal Act of 1937, alleging that the above-named code member, which operates the

Sun Mine, Mine Index No. 453, located at or near Caryville, Tennessee, had wilfully violated the provisions of the Bituminous Coal Code and the effective minimum prices established thereunder during the period October 1, 1940 to March 17, 1941, both dates inclusive, by selling, delivering and offering for sale to various purchasers 15,667.95 tons of 6" block and 2½" x 6" egg coal produced at said mine at prices less than the established minimum prices f. o. b. cars at the said mine for such sales, deliveries and offers to sell. On February 2, 1942, said complainant filed a motion dated February 2, 1942, to amend said complaint by enlarging the period of alleged violations from March 17, 1941 to and including March 31, 1941, and increasing the tonnage from 15,667.95 to 17,233.75 tons. Said motion was granted by Order entered herein on February 28, 1942.

In said application, as supplemented, the above-named code member:

1. admits that it violated the Code, as alleged in the complaint herein as amended, by describing, billing and selling 2½ x 6 inch egg coal and 6 inch block coal as 2½ x 5 inch egg coal and 5 inch block coal, respectively; and

2. Consents—

(a) to the entry of an order cancelling and revoking its code membership or an order revoking its code membership and also enjoining and restraining the applicant from violating the Code and regulations made thereunder upon any restoration of its code membership, and

(b) to the imposition of a total tax of $3,362.15, based upon 1611.00 net tons of 2½" x 6" egg coal and 1243.45 net tons of 6" block coal described, billed and sold as 2½" x 5" egg coal and 5" block coal, respectively, for which the aggregate effective minimum price was $8,610.90, during the period from March 7, 1941 to March 31, 1941, both dates inclusive, and states that it is ready and willing to pay that amount of tax if and when its said application is granted.

Interested parties desiring to do so may within fifteen (15) days from the date of this notice file recommendations or requests for informal conferences in respect to the above-described application.

Dated: May 7, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-4151; Filed, May 8, 1942; 11:23 a. m.]

[Docket No. B-55]

IN THE MATTER OF MAURICH AND ODRIZZI, ALSO KNOWN AS ANTON MAURICH AND ABRAM ODRIZZI, INDIVIDUALLY, AND AS CO-PARTNERS, DOING BUSINESS UNDER THE NAME AND STYLE OF MAURICH AND ODRIZZI, CODE MEMBER

ORDER APPROVING AND ADOPTING THE PROPOSED FINDINGS OF FACT, PROPOSED CONCLUSIONS OF LAW AND RECOMMENDATION OF THE EXAMINER AND REVOCATION OF CODE MEMBERSHIP

This proceeding was instituted upon a complaint filed with the Bituminous Coal Division, pursuant to section 4 II (j) and 5 (b) of the Bituminous Coal Act of 1937, by District Board No. 19. The complaint alleges that Maurich and Odrizzi, code member, in District No. 19, wilfully violated the provisions of the Bituminous Coal Code, the regulations thereunder, and the effective minimum prices, as set forth in the Schedule of Effective Minimum Prices for District No. 19 for Truck Shipments, wherein complainant prayed that the Division either revoke and cancel the code membership of Maurich and Odrizzi, or in its discretion, direct it to cease and desist from further violations of the Bituminous Coal Code, the rules and regulations promulgated thereunder, and the established effective minimum prices.

Pursuant to an Order of the Acting Director dated December 6, 1941, and after due notice to all interested persons, a hearing in this matter was held January 26, 1942, before D. C. McCurtain, a duly designated Examiner of the Division, at a hearing room thereof in Kemmerer, Wyoming. All interested persons were afforded an opportunity to be present, adduce evidence, cross-examine witnesses, and otherwise participate fully in the hearing. Appearances were entered in behalf of District Board No. 19 and Anton Maurich and Abram Odrizzi.

The Examiner on April 6, 1942, submitted his Report, Proposed Findings of Fact, Proposed Conclusions of Law, and Recommendation. He found that Maurich and Odrizzi, also known as Anton Maurich and Abram Odrizzi, individually, and as co-partners doing business under the name and style of Maurich and Odrizzi, code member, operating the John Mischler Mine, Mine Index No. 154, in Subdistrict 1, District No. 19, wilfully violated section 4 II (e) of the Act, the Bituminous Coal Code, and the Schedule of Effective Minimum Prices for District No. 19 for Truck Shipments, by selling and delivering between April 2, 1941 and June 11, 1941, both dates inclusive, 95.6 tons lump coal at $3.75 per net ton, 29.5 tons of nut coal at $3.00 per net ton, 3.5 tons of pea coal at $1.00 per net ton and 31.5 tons of slack coal at $1.00 per net ton, whereas the effective minimum f. o. b. mine prices per ton for such coals were $3.85, $3.10, $2.75, and $2.75, respectively, as set forth in the Schedule of Effective Minimum Prices for District No. 19 For All Shipments.

Based upon his Proposed Findings of Fact, the Examiner recommended that an Order be entered revoking the code membership of Maurich and Odrizzi, and provide that prior to any reinstatement to membership in the Code, the code member shall pay $119.15 as provided in section 5 (c) of the Act.

An opportunity was afforded to all parties to file exceptions to the Proposed Findings of Fact, Proposed Conclusions of Law and Recommendation of the Examiner. No exceptions thereto have been filed.

The Examiner has determined that the Proposed Findings of Fact and Proposed Conclusions of Law of the Examiner, in this matter, should be approved and adopted as the findings of fact and conclusions of law of the undersigned.

Now, therefore, it is ordered, That the said Proposed Findings of Fact and Proposed Conclusions of Law of the Examiner be and they are hereby adopted as the findings of fact and conclusions of law of the undersigned, and that the code membership of Maurich and Odrizzi, also known as Anton Maurich and Abram Odrizzi, individually, and as co-partners, doing business under the name and style of Maurich and Odrizzi, be revoked and cancelled.

It is further ordered, That prior to any reinstatement of Anton Maurich and Abram Odrizzi to membership in the code, they shall be required to pay to the United States a tax in the amount of $119.15, as provided in section 5 (c) of the Act.

Dated: May 7, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-4153; Filed, May 8, 1942; 11:23 a. m.]

[Docket No. B-146]

IN THE MATTER OF ZIMMERMAN COAL COMPANY, REGISTERED DISTRIBUTOR, REGISTRATION NO. 9985, RESPONDENT

ORDER GRANTING APPLICATION FOR DISPOSITION OF PROCEEDINGS WITHOUT FORMAL HEARING, SUSPENDING REGISTRATION AS A REGISTERED DISTRIBUTOR AND CANCELLING HEARING

The Notice of and Order for Hearing in the above-entitled matter having been entered herein on January 21, 1942, pursuant to the provisions of § 304.14 of the Rules and Regulations for the Registration of Distributors promulgated by the Bituminous Coal Division (the "Division") pursuant to section 4 II (h) of the Bituminous Coal Act of 1937 (the "Act"), to determine whether the said Zimmerman Coal Company

(a) during the period from November 9, 1940 to March 28, 1941, acting as sales agent for the Lone Star Coal Co., Inc., a code member in District No. 11, sold and delivered by rail to Columbian Enameling and Stamping Company, Inc., at Terre Haute, Indiana, 22 cars of ⅜" carbon coal and during the period from April 7, 1941 to July 15, 1941, 12 cars of ⅜" carbon coal produced by said code member, and prepaid the freight charges upon such shipments of coal;

(b) during the period from May 6, 1941 to May 8, 1941, respondent purchased from the F. C. Morgan Coal Company, a code member, 2 cars of 2" screenings produced by said code member and resold and shipped said coal by rail to the Columbian Enameling and Stamping Company, Inc., at Terre Haute, Indiana, and prepaid the freight charges thereon;

(c) on or about May 14, 1941, purchased from Goodman Coal Corporation of Chicago, Illinois, sales agents for Big Bend Collieries, Inc., a code member, 1 car of 2" screenings produced by said code member, and on or about the said date resold and reshipped said coal by rail to the Columbian Enameling and Stamping Company, Inc., at Terre Haute, Indiana, and prepaid the freight charges thereon; and

(d) subsequent to September 30, 1940, failed to file with the Statistical Bureau for District No. 11, its invoices currently as rendered as required by Order No. 295 of the Director, dated June 14, 1940, and Order No. 313 of the Director, dated February 24, 1941,

all as set forth in the said Notice of and Order for Hearing herein, resulting in violation of section 4 II (i) (3) of the Act, Part II (i) (3) of the Code, Rule 3 of section XIII, and Rule 1 (J) of section VII of the Marketing Rules and Regulations, and paragraphs (c) and (e) of its Distributor's Agreement; and

The respondent having, on February 12, 1942, duly filed with the Division an application dated February 10, 1942, for Disposition of this Proceeding Without Formal Hearing, pursuant to § 301.132 of the Rules of Practice and Procedure Before the Division; and

Notice dated February 24, 1942, of the filing of said application dated February 10, 1942, having been published in the FEDERAL REGISTER on February 25, 1942, pursuant to said § 301.132 of the Rules of Practice and Procedure; and

Said Notice of Filing having provided that interested parties desiring to do so might within fifteen (15) days from the date of said Notice file recommendations or requests for informal conferences in respect to said application; and

It appearing that no such recommendation or requests were filed with the Division within said 15-day period; and

The respondent by letter, dated April 1, 1942, having furnished the Division with supplemental information regarding its sales as a distributor and a statement of its operations for December 1941 and January and February 1942;

The respondent in said application having (a) admitted the violations of the Act, the Code and regulations thereunder, and its Distributor's Agreement as set forth in said Notice of and Order for Hearing; (b) consented to entry of an Order Revoking or Suspending its Registration; (c) agreed to restore to code members or others the amounts unlawfully accepted by it as discounts or sales commissions on the transactions involved herein; and (d) agreed that it will execute any and all papers and instruments necessary to the disposition of this proceeding without formal hearing;

I. It is hereby found that: (a) Respondent is a corporation incorporated in the State of Indiana in the year 1916 and is engaged as a distributor, pursuant to the Distributors' Regulations, in the business of purchasing and reselling bituminous coal;

(b) On September 26, 1940, pursuant to the Order of the Division dated June 19, 1940, entered in General Docket No. 12, respondent filed with the Division its Application dated September 24, 1940, for Registration as a Registered Distributor, which was accompanied by its Agreement (the "Distributor's Agreement") executed September 24, 1940, as a condition to the granting of said Application; that said Application was approved by the Division on September 28, 1940, and Certificate No. 9985 was issued to the respondent authorizing it to act as a registered distributor; and that respondent has been ever since the last-mentioned date and is now acting as a registered distributor;

(c) By Agreement, dated October 4, 1940, the Lone Star Coal Co., Inc., a code member which operates the Lone Star No. 3 Mine, Mine Index No. 118, Vigo County, Indiana, and the Lone Star Mine, Mine Index No. 55, City County, Indiana, both in District No. 11, appointed the respondent as its sole and exclusive sales agent for the period of two years beginning October 4, 1940, and terminating October 4, 1942; on July 1, 1941, this contract was, by mutual agreement, cancelled by a new contract appointing the respondent as sales agent for a period of one year beginning June 15, 1941 and ending June 15, 1942.

II. It is hereby further found that: (a) During the period from November 9, 1940, to March 28, 1941, respondent acting as sales agent for the Lone Star Coal Co., Inc., a code member in District No. 11, sold and delivered by rail to Columbian Enameling and Stamping Company, Inc., at Terre Haute, Indiana, 22 cars of 3/8" carbon coal and during the period from April 7, 1941 to July 15, 1941, both dates inclusive, 12 cars of 3/8" carbon coal produced by said code member, and prepaid the freight charges upon such shipment of coal;

(b) During the period from May 6, 1941 to May 8, 1941, respondent purchased from the F. C. Morgan Coal Company, a code member, 2 cars of 2" screenings produced by said code member and resold and shipped said coal by rail to the Columbian Enameling and Stamping Company, Inc., at Terre Haute, Indiana, and prepaid the freight charges thereon;

(c) On or about May 14, 1941, respondent purchased from Goodman Coal Corporation of Chicago, Illinois, sales agent for Big Bend Collieries, Inc., a code member, 1 car of 2" screenings produced by said code member, and on or about the said date resold and reshipped said coal by rail to the Columbian Enameling and Stamping Company, Inc., at Terre Haute, Indiana, and prepaid the freight charges thereon; and

(d) Subsequent to September 30, 1940, respondent failed to file with the Statistical Bureau for District No. 11, its invoices currently as rendered as required by Order No. 295 of the Director, dated June 14, 1940 and Order No. 313 of the Director, dated February 24, 1941,

all as set forth in the Notice of and Order for Hearing herein dated January 21, 1942, resulting in violations of Section 4 II (i) (3) of the Act, Part II (i) (3) of the Code, Rule 3 of section XIII and Rule 1 (J) of section VII of the Marketing Rules and Regulations, and Paragraphs (c) and (e) of its Distributor's Agreement.

Now, therefore, based upon the above findings, the respondent's agreement as set forth in said Application for Disposition of This Proceeding Without Formal Hearing and other evidence in the possession of the Division.

It is ordered, That the registration of the respondent as a registered distributor be and it is hereby suspended for a period of thirty (30) days from the date of the service hereof upon respondent and that the respondent, its officers, representatives, agents, servants, employees and attorneys and all affiliates of the respondent and all officers and agents or any thereof shall be and they are hereby prohibited from accepting from code members or their agents or representatives or retaining any discounts from the effective minimum prices either directly or indirectly on coal purchased by it, them or any of them during said period of suspension: *Provided, however*, That if the respondent shall not have complied with the provisions of §304.15 of the Rules and Regulations for the Registration of Distributors at least five (5) days before the expiration of said period of suspension, said suspension shall continue in full force and effect until five (5) days after the affidavit required by §304.15 shall have been filed with the Division: *And provided, further*, That the respondent be required to refund to the Lone Star Coal Co., Inc., $104.41, to the Goodman Coal Corporation $12.68 and to the F. C. Morgan Coal Company $35.52; and that a statement by the respondent that such refunds have been made shall be included in the aforesaid affidavit.

It is further ordered, That the effect of such suspension shall not be evaded directly or indirectly by the use of any device such as a sales agency agreement or any other device, and that such suspension shall not excuse the Zimmerman Coal Company from all duties and functions imposed upon it by the Act, the Code and the rules and regulations thereunder, and its Distributor's Agreement.

It is further ordered, That in the event that the respondent shall hereafter violate any of the agreements set forth in said application, dated February 10, 1942, this matter may be reopened and such action taken and orders entered herein as may seem just and proper in the circumstances and jurisdiction of this matter is hereby expressly reserved for that purpose.

It is further ordered, That the hearing heretofore set in this matter and subsequently postponed to a place and date to be determined thereafter by an appropriate order herein be and the same hereby is cancelled.

Dated: May 7, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-4156; Filed, May 8, 1942; 11:24 a. m.]

[Docket No. B-111]

IN THE MATTER OF ZACHERL COAL COMPANY, (LORA E. BRIGGS AND OTHERS, INDIVIDUALS DOING BUSINESS AS A COPARTNERSHIP, ZACHERL COAL COMPANY), CODE MEMBER

ORDER APPROVING AND ADOPTING PROPOSED FINDINGS OF FACT, PROPOSED CONCLUSIONS OF LAW AND RECOMMENDATION OF THE EXAMINER AND CEASE AND DESIST ORDER

A complaint pursuant to sections 4 II (j) and 5 (b) of the Bituminous Coal Act of 1937 having been filed with the Bitu-

minous Coal Division on October 16, 1941, by the Bituminous Coal Producers Board for District No. 1, alleging that Zacherl Coal Company (Lora E. Briggs and others, individuals doing business as a copartnership, Zacherl Coal Company), a code member in District No. 1, has violated the provisions of the Bituminous Coal Code or rules and regulations thereunder and praying that the Division either cancel or revoke Zacherl Coal Company's code membership or, in its discretion, direct the code member to cease and desist from violations of the Code and rules and regulations thereunder.

A hearing having been held before Joseph A. Huston, a duly designated Examiner of the Division, at a hearing room thereof in Oil City, Pennsylvania, on December 22, 1941;

The Examiner having made and entered his Report, Proposed Findings of Fact, Proposed Conclusions of Law and Recommendation in the matter dated April 6, 1942, in which it was recommended that an order be entered directing the code member to cease and desist from violating the Act, the Schedule of Effective Minimum Prices for District No. 1 For Truck Shipments, the Code and rules and regulations thereunder;

An opportunity having been afforded to all parties to file exceptions thereto and supporting briefs and no such exceptions or supporting briefs having been filed;

The undersigned having determined after consideration of the record that the Proposed Findings of Fact and Proposed Conclusions of Law of the Examiner should be approved and adopted as the Findings of Fact and Conclusions of Law of the undersigned;

Now, therefore, it is ordered, That the Proposed Findings of Fact and the Proposed Conclusions of Law of the Examiner be and the same are hereby approved and adopted as the Findings of Fact and Conclusions of Law of the undersigned;

It is further ordered, That the code member, Zacherl Coal Company (Lora E. Briggs and others, individuals doing business as a copartnership, Zacherl Coal Company), its representatives, agents, servants, employees, attorneys, and successors or assigns, and all persons acting or claiming to act in its or their behalf or interest, cease and desist and they are hereby permanently enjoined and restrained from selling or offering to sell coal below the prescribed minimum prices therefor and from violating the Bituminous Coal Act, the Schedule of Effective Minimum Prices for District No. 1 For Truck Shipments, the Bituminous Coal Code, and the rules and regulations thereunder;

It is further ordered, That the Division may, upon failure of the code member herein to comply with this Order forthwith apply to the Circuit Court of Appeals of the United States within any circuit where the code member carries on business for the enforcement thereof or take any other appropriate action.

Dated: May 6, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-4157; Filed, May 8, 1942; 11:24 a. m.]

[Docket No. B-138]

IN THE MATTER OF THEODORE FORSBERG, CODE MEMBER

ORDER APPROVING AND ADOPTING THE PROPOSED FINDINGS OF FACT, PROPOSED CONCLUSIONS OF LAW, AND RECOMMENDATION OF THE EXAMINER AND REVOKING AND CANCELLING CODE MEMBERSHIP

A complaint pursuant to section 4 II (j) and 5 (b) of the Bituminous Coal Act of 1937 having been filed with the Bituminous Coal Division on November 14, 1941, by Bituminous Coal Producers Board for District No. 1 alleging that Theodore Forsberg, a code member in District No. 1, has violated the provisions of the Bituminous Coal Code or rules and regulations thereunder and praying that the Division either cancel or revoke the code membership of said Theodore Forsberg or in its discretion, direct this code member to cease and desist from violation of the Code and rules and regulations thereunder.

Pursuant to an Order of the Acting Director and after due notice to interested persons a hearing having been held before Joseph D. Dermody, a duly designated Examiner of the Division, at a hearing room thereof, in Altoona, Pennsylvania on January 12, 1942;

The Examiner having made and entered his Report, Proposed Findings of Fact, Proposed Conclusions of Law and Recommendation in the matter, dated April 2, 1942, in which it was recommended that an order be entered revoking and cancelling the code membership of Theodore Forsberg, and providing that prior to any reinstatement to code membership, this code member shall be required to pay to the United States a tax of $212.36 as provided in section 5 (c) of the Act;

An opportunity having been afforded to all parties to file exceptions thereto and supporting briefs and no such exceptions or briefs having been filed;

The undersigned having determined after consideration of the record that the Proposed Findings of Fact, Proposed Conclusions of Law and Recommendation of the Examiner should be approved and adopted as the Findings of Fact and Conclusions of Law of the undersigned;

Now, therefore, it is ordered, That the Proposed Findings of Fact and Proposed Conclusions of Law of the Examiner be and the same are hereby approved and adopted as the Findings of Fact and Conclusions of Law of the undersigned;

It is further ordered, That pursuant to section 5 (b) of the Act, the code membership of the code member, Theodore Forsberg, be and it hereby is, revoked and cancelled.

It is further ordered, That prior to any reinstatement of the code member, Theodore Forsberg, to membership in the Code, this code member shall pay to the United States a tax in the amount of $212.36, as provided in section 5 (c) of the Bituminous Coal Act of 1937.

Dated: May 6, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-4154; Filed, May 8, 1942; 11:24 a. m.]

[Docket No. B-56]

IN THE MATTER OF JOHN B. RAVIZZA, CODE MEMBER

ORDER APPROVING AND ADOPTING THE PROPOSED FINDINGS OF FACT, PROPOSED CONCLUSIONS OF LAW AND RECOMMENDATIONS OF THE EXAMINER AND REVOKING AND CANCELLING CODE MEMBERSHIP

A complaint pursuant to sections 4 II (j) and 5 (b) of the Bituminous Coal Act of 1937 having been filed with the Bituminous Coal Division on September 19, 1941, by the Bituminous Coal Producers Board for District No. 19, alleging that John B. Ravizza, a code member in District No. 19, has violated the provisions of the Bituminous Coal Code or rules and regulations thereunder and praying that the Division either cancel or revoke the code membership of said John B. Ravizza, or, in its discretion, direct this code member to cease and desist from violations of the Code and rules and regulations thereunder.

Pursuant to an Order of the Acting Director and after due notice to interested persons a hearing having been held before D. C. McCurtain, a duly designated Examiner of the Division, at a hearing room thereof in Rawlings, Wyoming, on January 23, 1942;

The Examiner having made and entered his Report, Proposed Findings of Fact, Proposed Conclusions of Law and Recommendation in this matter dated March 19, 1942, in which it was recommended that an order be entered revoking and cancelling the code membership of John B. Ravizza and providing that prior to any reinstatement to code membership, this code member shall be required to pay to the United States a tax in the amount of $140.08 as provided in section 5 (c) of the Act.

An opportunity having been afforded to all parties to file exceptions thereto and supporting briefs and no such exceptions or briefs having been filed;

The undersigned having determined after consideration of the record that the proposed findings of fact, and proposed conclusions of law of the Examiner should be approved and adopted as the findings of fact and conclusions of law of the undersigned.

Now, therefore, it is ordered, That the proposed findings of fact and proposed conclusions of law of the Examiner be and the same are hereby approved and adopted as the findings of fact and conclusions of law of the undersigned;

It is further ordered, That pursuant to section 5 (b) of the Act, the code membership of the code member, John B. Ravizza, operating the Pinewood Mine (Mine Index No. 181) in Carbon County, Wyoming, be and it hereby is revoked and cancelled.

It is further ordered, That prior to any reinstatement of the code member, John B. Ravizza, to membership in the Code, this code member shall pay the United States a tax in the amount of $140.08 as provided in section 5 (c) of the Bituminous Coal Act of 1937.

Dated: May 6, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F.R. Doc. 42-4155; Filed, May 8, 1942; 11:24 a. m.]

[Docket No. D-19]

APPLICATION OF EASTERN GAS AND FUEL ASSOCIATES (SUCCESSORS TO THE KOPPERS COAL COMPANY) FOR PERMISSION TO RECEIVE DISTRIBUTORS' DISCOUNTS ON COAL PURCHASED BY IT AND RESOLD TO KOPPERS COMPANY

NOTICE OF AND ORDER FOR HEARING

The Eastern Gas and Fuel Associates, (successors to the Koppers Coal Company) a voluntary association organized under the laws of Massachusetts, having its principal place of business in Pittsburgh, Pennsylvania, and registered with the Division as a distributor, No. 2614, filed its petition in the above-entitled matter praying that it be given permission to accept and retain distributors' discounts on all coal, heretofore and hereafter, purchased by it and resold to Koppers Company, Pittsburgh, Pennsylvania.

It is, therefore, ordered, That a hearing on such matter be held on June 15, 1942, at 10:00 a. m. in the forenoon of that day, at a hearing room of the Bituminous Coal Division, 734 15th Street NW., Washington, D. C. On such day the Chief of the Records Section in Room 502 will advise as to the room where such hearing will be held.

It is further ordered, That Edward J. Hayes or any other officer or officers of the Division duly designated for that purpose shall preside at the hearing in such matter. The officers so designated to preside at such hearing are hereby authorized to conduct said hearing, to administer oaths and affirmations, examine witnesses, take evidence, to continue said hearing from time to time, and to prepare and submit proposed findings of fact and conclusions and the recommendation of an appropriate order in the premises, and to perform all other duties in connection therewith authorized by law.

Notice of such hearing is hereby given to such petitioner and to any other person who may have an interest in such proceeding. Any person desiring to be heard at such hearing shall file a notice to that effect with the Bituminous Coal Division on or before June 10, 1942, setting forth therein the nature of his interest and a concise statement of the matter or matters which he intends to present.

All persons are hereby notified that the hearing in the above-entitled matter and any orders entered therein may concern, in addition to the matters specifically alleged in the petition, other matters necessarily incidental and related thereto, which may be raised by amendment to the petition, petitions of interveners, or otherwise, or which may be necessary corollaries to the relief, if any, granted on the basis of this petition.

Dated: May 6, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-4144; Filed, May 8, 1942; 11:25 a. m.]

OFFICE OF PRICE ADMINISTRATION.

ORDER NO. 2 UNDER REVISED PRICE SCHEDULE NO. 86 [1]—DOMESTIC WASHING MACHINES AND IRONING MACHINES

APPROVAL OF PRICES OF NEW MODELS OF MEADOWS CORPORATION

On April 24, 1942 Meadows Corporation of Bloomington, Illinois, filed an application pursuant to § 1380.3 (b) (1) of Revised Price Schedule No. 86, for approval of maximum prices for two new washing machine models, Nos. T-79-987, and T-79, according to the specifications and prices set forth in said application. Due consideration has been given to the application, and an opinion in support of this Order No. 2 has been issued simultaneously herewith and has been filed with the Division of the Federal Register. For the reasons set forth in the opinion and under the authority vested in the Price Administrator by the Emergency Price Control Act of 1942, it it hereby ordered:

(a) Meadows Corporation of Bloomington, Illinois, may sell and deliver, and agree, offer, solicit and attempt to sell and deliver, model T-79-987, described in the above mentioned application at a maximum price of $32.72 f. o. b. factory subject to the same zone differentials and discounts and allowances as were established under § 1380.1 (a) of Revised Price Schedule No. 86 for model No. 5E.

(b) Meadows Corporation of Bloomington, Illinois, may sell and deliver, and agree, offer, solicit, and attempt to sell and deliver model T-79 described in the above mentioned application at a maximum price of $35.11 f. o. b. factory at the same dollar zone differentials and discounts and allowances as were established under § 1380.1 (a) of Revised Price Schedule No. 86 for model T-81.

This Order No. 2 shall become effective May 9, 1942.

Issued this 7th day of May 1942.

LEON HENDERSON,
Administrator.

[F. R. Doc. 42-4124; Filed, May 7, 1942; 5:05 p. m.]

[1] 7 F.R. 1367, 1836, 2132, 3139.

SECURITIES AND EXCHANGE COMMISSION.

[File No. 70-522]

IN THE MATTER OF SOUTHERN NATURAL GAS COMPANY, AND SOUTHERN PRODUCTION COMPANY, INC.

NOTICE OF AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission held at its office in the City of Philadelphia, Pa., on the 5th day of May 1942.

Applications and a declaration having been filed with this Commission by the above-named parties pursuant to sections 6 (b), 10 and 12 (f) of the Public Utility Holding Company Act of 1935 and Rules U-43 and U-45 promulgated pursuant to said Act; and

The said applications and declaration concerning the proposed issuance and sale by Southern Production Company, Inc., a subsidiary of Southern Natural Gas Company which is a registered holding company, of $500,000 principal amount of 3% Serial Notes; the acquisition of such Notes at the principal amount thereof by Southern Natural Gas Company; and the sale by Southern Natural Gas Company, and the acquisition by Southern Production Company, Inc., of an interest in certain oil leases for $13,169.86 in cash; and

It appearing to the Commission that it is appropriate and in the public interest, and in the interests of investors and consumers that a hearing be held with respect to said applications and declaration, and that said declaration shall not become effective or said applications be granted except pursuant to further order of the Commission, and that at said hearing there be considered, among other things, the various matters hereinafter set forth;

It is ordered, That a hearing on such matter under the applicable provisions of said Act and the Rules of the Commission thereunder be held on May 19, 1942, at 10:00 A. M., at the office of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pennsylvania. On such day the hearing room clerk in Room 318 will advise as to the room where such hearing will be held.

It is further ordered, That James G. Ewell, or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearing in such matter. The officer so designated to preside at any such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said Act, and to a Trial Examiner under the Commission's Rules of Practice.

Notice of such hearing is hereby given to such applicants and declarants.

It is further ordered, That, without limiting the scope of issues presented by said applications and declaration, particular attention will be directed at said hearing to the following matters and questions:

(1) Whether the issue and sale of said Notes are solely for the purpose of financing the business of Southern Production Company, Inc.;

(2) Whether Southern Production Company, Inc. is a holding company, a public-utility company, an investment company, or a fiscal or financing agency of a holding company, a public-utility company, or an investment company.

(3) What terms and condition, if any, would it be appropriate in the public interest or for the protection of investors or consumers to impose in connection with the exemption, if granted, of the issue and sale of such Notes from the provisions of section 6 (a) of said Act;

(4) Whether (a) the acquisition by Southern Production Company, Inc., of

said interest in the oil leases, and (b) the acquisition by Southern Natural Gas Company of such Notes, will comply with the applicable standards of section 10 (b) of said Act;

(5) Whether either of such acquisitions is detrimental to the carrying out of the provisions of section 11 of said Act;

(6) Whether the sale of said interest in the oil leases by Southern Natural Gas Company will comply with the standards of section 12 (f) of said Act.

By the Commission.

[SEAL] FRANCIS P. BRASSOR, *Secretary.*

[F. R. Doc. 42-4126; Filed, May 8, 1942; 9:57 a. m.]

[File No. 70-538]

IN THE MATTER OF KENTUCKY-TENNESSEE LIGHT AND POWER COMPANY

ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission held at its office in the City of Philadelphia, Pa., on the 6th day of May, A. D. 1942.

A declaration or application (or both) having been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 by Kentucky-Tennessee Light and Power Company, and notice having been given of the filing thereof by publication in the FEDERAL REGISTER and otherwise as provided by Rule U-23 under said Act; and

Such declaration or application concerning the following:

Kentucky-Tennessee Light and Power Company proposes to sell all of its physical properties and other assets located in the City of Frankfort, Kentucky, and immediate vicinity, comprising its electric and water utility business in said territory, in accordance with the terms and provisions of an agreement dated April 13, 1942 by and between the company and John Kirtley and Louis Cox, residents of the Commonwealth of Kentucky. A new company, to be known as Frankfort Utility Corporation, will be formed to assume the obligations of the purchasers under the purchase agreement. The consideration to be received by Kentucky-Tennessee Light and Power Company for the said physical properties and other assets is $1,350,000. The application or declaration states that the proposed transaction is the initial step in a general program contemplating the partial liquidation of Kentucky-Tennessee Light and Power Company prior to the divestment by Associated Electric Company, parent of the company, of its entire interest in the company.

It appearing to the Commission that it is appropriate and in the public interest and the interests of investors and consumers that a hearing be held with respect to said declaration or application (or both) and that said declaration should not become effective or said application should not be granted except pursuant to further order of the Commission, and that at said hearing there be considered, among other things, the various matters hereinafter set forth;

It is ordered, That a hearing on such matter under the applicable provisions of said Act and the rules of the Commission thereunder be held on May 21, 1942 at 10:00 a. m. in the offices of the Securities and Exchange Commission, 18th and Locust Streets, Philadelphia, Pennsylvania. On such day the hearing room clerk in room 318 will advise as to the room where such hearing will be held. At such hearing, if in respect to any declaration, cause shall be shown why such declaration should become effective.

It is further ordered, That Edward C. Johnson or any other officer or officers of the Commission designated by it for that purpose shall preside at such hearing in such matter. The officer so designated to preside at any such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said Act and to a trial examiner under the Commission's Rules of Practice.

It is further ordered, That, without limiting the scope of issues presented by said application or declaration, particular attention will be directed at said hearing to the following matters and questions:

1. How consideration to be received for the utility assets to be sold was determined and adequacy of such consideration.

2. Original cost of properties to be sold by Kentucky-Tennessee Light and Power Company.

3. Method of financing the purchase of property by Frankfort Utility Corporation.

4. Whether securities to be issued by Frankfort Utility Corporation are reasonably adapted to the security structure of the issuer.

5. Whether the securities to be issued by Frankfort Utility Corporation are reasonably adapted to the earning power of the corporation.

6. Whether the public interest and the interests of investors or consumers require the imposition of terms and conditions in connection with the proposed transactions.

7. Generally, whether all actions proposed to be taken comply with the requirements of said Act and rules, regulations or orders promulgated thereunder.

By the Commission.

[SEAL] FRANCIS P. BRASSOR, *Secretary.*

[F. R. Doc. 42-4127; Filed, May 8, 1942; 9:57 a. m.]

[File No. 59-6]

IN THE MATTER OF THE UNITED GAS IMPROVEMENT COMPANY AND ITS SUBSIDIARY COMPANIES, RESPONDENTS

ORDER REQUIRING DIVESTITURE OF SECURITIES BY HOLDING COMPANY SYSTEM

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 7th day of May, A. D. 1942.

1. The Commission having on March 4, 1940, issued a Notice of and Order for Hearing pursuant to section 11 (b) (1) of the Public Utility Holding Company Act of 1935 with respect to The United Gas Improvement Company and Its Subsidiary Companies, Respondents, stating therein that it appears that The United Gas Improvement Company holding company system is not confined in its operations to those of a single integrated public utility system and to such other businesses as are reasonably incidental, and economically necessary or appropriate to the operations of such integrated public utility system within the meaning of section 11 (b) (1) of the Act;

2. The Commission having on August 2, 1940, issued a Supplemental Notice of and Order for Hearing naming certain additional companies as respondents and by further orders dated April 23, 1940, May 10, 1940, March 24, 1941, May 17, 1941, April 20, 1942, and April 28, 1942, named additional companies as respondents or dismissed originally named respondents;

3. The respondents, in their answer filed to such Notice of and Order for Hearing, having requested that they be furnished with a statement of the Commission more particularly specifying underlying conclusions with respect to particular portions of the holding company system and as to what action the Commission believed would be required by section 11 (b) (1) of the Act;

4. The Commission having undertaken in its opinion issued May 23, 1940, to grant the request of the respondents, and having on January 18, 1941, issued a Statement of Tentative Conclusions as to the application of the provisions of section 11 (b) (1) to The United Gas Improvement Company holding company system;

5. The Commission, after hearings held upon notice duly given, having on April 15, 1941, made and filed its Findings and Opinion and having issued its Order based thereon pursuant to section 11 (b) (1) of the Act requiring that The United Gas Improvement Company dispose or cause the disposition of its direct and indirect ownership, control, or holding of securities issued by The Arizona Power Corporation, Concord Gas Company, Manchester Gas Company, The Wyandotte County Gas Company, Nashville Gas and Heating Company, New Haven Gas Light Company, The Hartford Gas Company, The Bridgeport Gas Light Company, and also Connecticut Railway and Lighting Company, unless the latter company should cease to be a public utility company as defined in the Act;

6. The respondents having on May 27, 1941, filed a petition for rehearing and a petition for the reopening of the record in respect of the Commission's order of April 15, 1941, requiring divestiture of the foregoing securities; and the Com-

mission, in response to such petitions, having suspended its April 15, 1941, order of divestiture, directed that the additional data submitted by the respondents be included in the record and set the matter down for rehearing;

7. The Commission having heard the respondents, after notice duly given, with respect to the issues raised by said petitions and having considered the supplemented record, and having this day made and filed its Supplemental Findings and Opinion herein, finding (among other things) that the action hereinafter directed to be taken is necessary and appropriate for the purpose of bringing about compliance with section 11 (b) (1) of the Act, without prejudice, however, to the right of this Commission to enter such other and further orders from time to time as the Commission may be advised requiring respondents to take such additional action as may be necessary for compliance with section 11; now therefore

It is ordered, Pursuant to section 11 (b) (1) of the Public Utility Holding Company Act of 1935, that The United Gas Improvement Company shall sever its relationship with the companies hereinafter designated by disposing or causing the disposition, in any appropriate manner not in contravention of the applicable provisions of said Act or the Rules and Regulations promulgated thereunder, of its direct and indirect ownership, control, and holding of securities issued by The Arizona Power Corporation, Concord Gas Company, Manchester Gas Company, The Wyandotte County Gas Company, Nashville Gas and Heating Company, New Haven Gas Light Company, The Hartford Gas Company, The Bridgeport Gas Light Company, and Connecticut Railway and Lighting Company; and

It is further ordered, That the respondents, in accordance with sub-paragraph (c) of section 11 of said Act, shall comply with the preceding paragraph of this order within one year from the date hereof without prejudice to their right to apply for additional time to comply with such order as provided in such section.

It is provided, With respect to our Findings, Opinion and Order herein, in their entirety, and with respect to the entry, publication, and service thereof, that they shall be without prejudice to the right of the Commission to enter such other and further appropriate orders from time to time as the Commission may deem necessary to secure compliance by the respondents with the provisions of the Act and the pertinent rules and regulations thereunder in carrying out the provisions of this Order.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 42-4128; Filed, May 8, 1942; 9:57 a. m.]

[File Nos. 7-576 to 7-603, inclusive]

IN THE MATTER OF APPLICATIONS BY THE SAN FRANCISCO STOCK EXCHANGE FOR PERMISSION TO EXTEND UNLISTED TRADING PRIVILEGES TO TWENTY-EIGHT (28) STOCKS

ORDER DISPOSING OF APPLICATIONS FOR PERMISSION TO EXTEND UNLISTED TRADING PRIVILEGES

At a regular session of the Securities and Exchange Commission, held at its office in the City of Philadelphia, Pa., on the 6th day of May, A. D. 1942.

The San Francisco Stock Exchange having made application to the Commission, pursuant to section 12 (f) of the Securities Exchange Act of 1934 and Rule X-12F-1, for permission to extend unlisted trading privileges to twenty-eight securities; and

After appropriate notice a hearing having been held in this matter in San Francisco, California; and

The Commission having made and filed its Findings and Opinion with respect to such applications on April 17, 1942; and

The Commission having reserved its decision with respect to the applications of the San Francisco Stock Exchange for permission to extend unlisted trading privileges to Climax Molybdenum Co. Common Stock, No Par Value; Douglas Aircraft Company, Inc. Capital Stock, No Par Value; International Paper Company $15 Par Common Stock and 5% Cumulative Convertible Preferred Stock, $100 Par; Newport News Shipbuilding and Dry Dock Company $1 Par Common Stock; Pepsi-Cola Company $1 Par Common Stock; Southern Natural Gas Co. $7.50 Par Common Stock; Southern Railway Co. Common Stock, No Par Value and United States Rubber Co. $10 Par Common Stock, with leave to the applicant exchange to notify the Commission, within a period of fifteen days from the date of the order so reserving decision, of its desire to introduce additional evidence with respect to those applications; and having provided in said order that if no such notification was received within the time specified an order would be issued denying said applications; and

The Commission having been advised by the San Francisco Stock Exchange that it does not desire to introduce additional evidence with respect to the nine applications mentioned above;

It is ordered, Pursuant to section 12 (f) of the Securities Exchange Act of 1934, that the applications of the San Francisco Stock Exchange for permission to extend unlisted trading privileges to Climax Molybdenum Co. Common Stock, No Par Value; Douglas Aircraft Company, Inc. Capital Stock, No Par Value; International Paper Company $15 Par Common Stock and 5% Cumulative Convertible Preferred Stock, $100 Par; Newport News Shipbuilding and Dry Dock Company $1 Par Common Stock; Pepsi-Cola Company $1 Par Common Stock; Southern Natural Gas Co. $7.50 Par Common Stock; Southern Railway Co. Common Stock, No Par Value and United States Rubber Co. $10 Par Common Stock, be and the same are hereby denied for the reasons specified in the Findings and Opinion of the Commission made and filed herein on April 17, 1942, as aforesaid.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 42-4129; Filed, May 8, 1942; 9:58 a. m.]

[File No. 70-521]

IN THE MATTER OF CENTRAL POWER AND LIGHT COMPANY

ORDER AMENDING PREVIOUS ORDER TO SHOW CORRECT DATES

At a regular session of the Securities and Exchange Commission held at its office in the City of Philadelphia, Pa., on the 7th day of May, A. D. 1942.

The Commission having issued an order on April 28, 1942, pursuant to the Public Utility Holding Company Act of 1935, permitting a declaration to become effective regarding the issuance and sale by Central Power and Light Company of $5,900,000 of its unsecured notes, said order reciting that the notes to be issued would be due serially August 1, 1942–April 1, 1952 instead of the correct due dates of October 1, 1942–April 1, 1952.

It is ordered, That said order of April 28, 1942 be amended so that the words in the first paragraph thereof shall read "due serially October 1, 1942–April 1, 1952" instead of "due serially August 1, 1942–April 1, 1952".

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 42-4130; Filed, May 8, 1942; 9:58 a. m.]